

# DOCUMENT RESUME

ED 052 337

VT 013 350

**TITLE** The Job Opportunities in the Business Sector Program: An Evaluation of Impact in Ten Standard Metropolitan Statistical Areas.

**INSTITUTION** Greenleigh Associates, Inc., New York, N.Y.

**SPONS AGENCY** Office of Manpower Policy, Evaluation, and Research (DOL), Washington, D.C.

**PUB DATE** Jun 70

**NOTE** 153p.

**AVAILABLE FROM** Greenleigh Associates, Inc., 355 Lexington Avenue, New York, New York 10017 (\$5.00)

**EDRS PRICE** EDRS Price MF-\$0.65 HC-\$6.58

**DESCRIPTORS** Community Cooperation, \*Disadvantaged Groups, Employer Attitudes, \*Employment Programs, \*Manpower Development, \*Manpower Utilization, Participant Characteristics, \*Program Evaluation, Underemployed, Unemployed, Vocational Education

**IDENTIFIERS** Job Opportunities in the Business Sector

## ABSTRACT

An evaluation of the Job Opportunities in the Business Sectors (JOBS) program revealed that JOBS should be continued as a Federally assisted manpower program since it has demonstrated a viable role for business in manpower training. As a result of JOBS disadvantaged, unemployed, and underemployed persons have been elevated above poverty income levels, families of trainees involved in the program have benefited, and other public manpower programs have increased their role and have begun to provide additional services to meet the needs of the disadvantaged unemployed and underemployed. On the other hand, the JOBS program has developed little local support except among those members of the business community who are directly involved. The successful continuation and expansion of JOBS will require a broader base of local support. Major sections of this report include: (1) Background of the JOBS Program, (2) Impact on the Job Market, (3) Relations with Manpower Agencies and Other Community Organizations, (4) JOBS Employers and Their Assessment of Program Impact, and (5) Trainee Characteristics and Reactions. (Author/JS)

ED052337

THE JOB OPPORTUNITIES IN  
THE BUSINESS SECTOR PROGRAM

An Evaluation of Impact in Ten  
Standard Metropolitan Statistical Areas

VT013350



ED052337

U.S. DEPARTMENT OF HEALTH,  
EDUCATION & WELFARE  
OFFICE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL OFFICE OF EDUCATION POSITION OR POLICY

THE JOB OPPORTUNITIES IN  
THE BUSINESS SECTOR PROGRAM

An Evaluation of Impact in Ten  
Standard Metropolitan Statistical Areas

June 1970

Greenleigh Associates, Inc.

New York Chicago Washington San Francisco

Printed in the United States of America

VT 013 350

This report is a part of the evaluation of the JOBS program by the Office of Evaluation pursuant to Department of Labor Contract No. 43-9-012-34.

This study was conducted and this report was prepared under a contract with the Office of Policy, Evaluation and Research of the Manpower Administration of the U.S. Department of Labor under the authority of Economic Opportunity Act of 1964 as Amended. Organizations undertaking such projects under Government sponsorship are encouraged to state their findings and express their own judgments freely. Therefore, points of view or opinions stated in this document do not necessarily represent the official position or policy of the Department of Labor.



**greenleigh associates, inc.**

NEW YORK  
CHICAGO  
SAN FRANCISCO  
WASHINGTON

355 LEXINGTON AVENUE · NEW YORK, N. Y. 10017 · (212) 986-8645

June 29, 1970

Mr. Francis O. Stanard  
United States Department of Labor  
Manpower Administration, Office of Evaluation  
811 Vermont Avenue, N. W.  
Washington, D. C. 20210

Dear Mr. Stanard:

We are pleased to submit this report of our Evaluation of Impact of the Job Opportunities in the Business Sector program. This report is based on the facts we adduced in our systematic review and analysis of the impact of the JOBS program activities in 10 diverse Standard Metropolitan Statistical Areas. (The noncontract employers participating in the NAB-JOBS program were excluded from this evaluation as specified in the RFP and in our proposal.) This report described the effects of the JOBS program on trainees hired, on employers participating in the program, and on various segments of the community affected. The principal effects described are economic, social, and psychological.

The findings, conclusions, and recommendations were thoughtfully considered against the background of current thinking and developments in employment and manpower training. It should be noted that the JOBS program has been a part of this developmental process and has contributed to new methodology and techniques which should become a permanent part of the increasing knowledge about employment of the disadvantaged and manpower training. Finally, we considered the fact of the rapid growth of the JOBS program, recent changes in the economy, and their implications in relation to its present state of development.



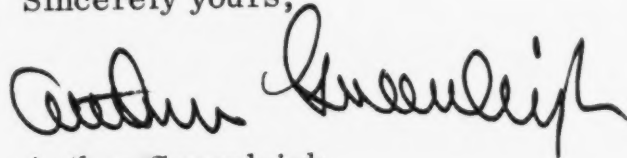
Mr. Francis O. Stanard

-2-

Some recommendations can and should be implemented quickly, while others will take longer and will require the help of professional manpower specialists. We are confident that our recommendations are sound and realistic, and that their full implementation will strengthen this needed program.

It was a pleasure to have had this opportunity to work with so many fine and dedicated people in the various communities, and we are grateful for the cooperation they extended to us.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Arthur Greenleigh". The signature is fluid and cursive, with the first name "Arthur" being more prominent and the last name "Greenleigh" following in a similar style.

Arthur Greenleigh  
President

AG/bwm

## ACKNOWLEDGMENTS

During the course of this study there were a number of persons who played key roles and whose concern, knowledge, professional competence, and commitment to the purposes of this study contributed much to its success. NAB Metro volunteers and staff, employer representatives and trainees who were involved responded with thoughtful candor and patience to the extensive inquiries made in conferences with them. Each exhibited the utmost desire to assist in any way that would help strengthen the JOBS program in fulfilling its purposes. Without mentioning them by name we wish to thank them all.

We should like to acknowledge also the key roles of members of the staff of Greenleigh Associates who were assigned to this project including:

Hazel S. McCalley, Ph.D., Senior Vice President and  
Officer in Charge

Senior Field Analysts:

Collins Ewing, Jr.

David Johnston

Mrs. Frances Larson

Louis B. Siegel

Robert O. Washington

Morton Kaplan, Communications Media Consultant

Ronald Ulrich, Research Associate

Richard Wolf, Research Assistant

The staff of many agencies and organizations, both governmental and voluntary, in the fields of education, community relations, antipoverty, manpower training, employment, communications media, health and social welfare were most cooperative and helpful, and we should like to express our appreciation to them as a group.

Wilbur E. Hobbs, Senior Consultant  
Project Director

## TABLE OF CONTENTS

|                                                       |    |
|-------------------------------------------------------|----|
| I. Introduction                                       | 1  |
| A. General                                            | 1  |
| B. Purposes                                           | 2  |
| C. Scope                                              | 2  |
| D. Approach                                           | 3  |
| E. Objectives                                         | 5  |
| F. Method                                             | 6  |
| 1. Preparation and Design                             | 6  |
| 2. Field Survey                                       | 7  |
| 3. Other Interviews                                   | 8  |
| 4. NAB-Metros                                         | 8  |
| 5. Final Analysis, Synthesis, and Report              | 8  |
| II. Background of the JOBS Program                    | 10 |
| A. Problems of the Hard-Core Disadvantaged Unemployed | 10 |
| B. The JOBS Program Concept                           | 11 |
| C. JOBS Program Implementation                        | 12 |
| D. Organization of NAB                                | 12 |
| 1. Metro Organization                                 | 13 |
| E. Job Procurement and Placement                      | 15 |
| 1. Similar Procedures                                 | 15 |
| 2. Atlanta                                            | 15 |
| 3. Baltimore                                          | 16 |
| 4. Dayton                                             | 16 |
| 5. Houston                                            | 17 |
| 6. Jersey City                                        | 17 |
| 7. Detroit                                            | 17 |
| 8. Miami                                              | 17 |

|                                                       |    |
|-------------------------------------------------------|----|
| 9. Phoenix                                            | 17 |
| 10. San Diego                                         | 18 |
| 11. Tulsa                                             | 18 |
| F. Guidelines                                         | 18 |
| III. Impact on the Community                          | 21 |
| A. Community Perceptions of Program Effectiveness     | 21 |
| 1. Business and Professional Organizations            | 21 |
| 2. Citywide Community Organization                    | 22 |
| 3. Minority Community                                 | 22 |
| B. Factors Affecting Program Image                    | 23 |
| 1. Employee Success                                   | 23 |
| 2. Communications Media                               | 23 |
| C. Effect on Community Tensions                       | 28 |
| D. Administration Controls on Economy                 | 29 |
| E. Economic Impact                                    | 29 |
| F. Social Impact                                      | 29 |
| G. Conclusions                                        | 30 |
| H. Recommendations                                    | 31 |
| IV. Impact on Job Market                              | 33 |
| A. Introduction                                       | 33 |
| B. Universe of Need                                   | 34 |
| 1. Potential Impact                                   | 35 |
| C. Description of Jobs Offered                        | 36 |
| 1. Analysis by DOT Number                             | 36 |
| 2. Relationship to Industrial Needs                   | 37 |
| D. Suitability of Trainees to Jobs                    | 40 |
| E. Impact on Non-JOBS Persons                         | 41 |
| F. Statistical Impact of JOBS Program on Unemployment | 42 |
| G. Recommendations                                    | 47 |



|                                                                       |    |
|-----------------------------------------------------------------------|----|
| V. Relations With Manpower Agencies and Other Community Organizations | 49 |
| A. Introduction                                                       | 49 |
| B. Public Manpower Agencies                                           | 49 |
| 1. Concentrated Employment Program (CEP)                              | 50 |
| 2. Employment Services (ES)                                           | 51 |
| 3. Community Action Agencies (CAAs)                                   | 53 |
| C. Other Programs With Manpower Components                            | 53 |
| 1. Schools and Local Vocational Education Agencies                    | 53 |
| 2. OIC, MDTA Skill Centers, and Other Programs                        | 53 |
| 3. Cooperative Area Manpower Planning Systems (CAMPS)                 | 54 |
| 4. Health and Welfare Agencies                                        | 55 |
| D. Employer Organizations and Consultants                             | 55 |
| E. Labor Unions                                                       | 57 |
| 1. National Leadership Participation                                  | 57 |
| 2. Rank-and-File Participation                                        | 58 |
| F. Summary                                                            | 58 |
| 1. Interagency Linkages                                               | 59 |
| 2. Effect on Institutional Change                                     | 59 |
| G. Conclusions                                                        | 60 |
| H. Recommendations                                                    | 61 |
| VI. JOBS Employers and Their Assessment of Program Impact             | 64 |
| A. Introduction                                                       | 64 |
| 1. Summary                                                            | 64 |
| 2. Reasons for Company Participation in JOBS Program                  | 65 |
| B. Economic Impact on Employers                                       | 66 |
| C. Impact on Work Force Needs                                         | 68 |
| D. Attitudes Toward the Hard-Core Unemployed                          | 69 |

|                                                        |    |
|--------------------------------------------------------|----|
| 1. Willingness to Hire the Hard-Core Unemployed        | 69 |
| 2. Differences Between Normal Hires and JOBS Employees | 70 |
| 3. Other Employer Considerations                       | 71 |
| E. Hiring Practices and Recruiting                     | 72 |
| 1. Hiring Practices                                    | 72 |
| 2. Recruitment                                         | 73 |
| F. Employer Relationship With Other Manpower Agencies  | 73 |
| 1. Relationship With Paid Contractual Organizations    | 73 |
| 2. Relationship With Noncontract Organizations         | 74 |
| G. Supportive Services and Supervision                 | 75 |
| H. Factors Affecting Retention Rates                   | 76 |
| 1. Type of Job                                         | 77 |
| 2. Expenses Per Trainee                                | 78 |
| 3. How Support Services Are Provided                   | 78 |
| 4. Quality of Support Services                         | 80 |
| 5. Level of Management Effort                          | 81 |
| 6. Opportunity for Upgrading                           | 82 |
| 7. Level of Starting Pay                               | 83 |
| 8. Transportation                                      | 83 |
| I. Conclusions                                         | 83 |
| J. Recommendations                                     | 84 |
| VII. Trainee Characteristics and Reactions             | 86 |
| A. Introduction                                        | 86 |
| B. Economic and Demographic Characteristics            | 87 |
| C. Summary of Trainee Characteristics                  | 89 |

|                                                |     |
|------------------------------------------------|-----|
| 1. Race                                        | 89  |
| 2. Sex                                         | 89  |
| 3. Age                                         | 89  |
| 4. Education                                   | 89  |
| 5. Public Assistance Status                    | 90  |
| 6. Family Size                                 | 90  |
| 7. Unemployment Status                         | 90  |
| 8. Family Income                               | 90  |
| 9. Marital Status                              | 90  |
| 10. Employment History                         | 91  |
| 11. Recruitment Source                         | 91  |
| D. Impact                                      | 91  |
| 1. Economic Impact                             | 91  |
| 2. Impact of Program Services                  | 93  |
| 3. Impact on Absentee Rate                     | 95  |
| E. Impact on Relationships                     | 95  |
| 1. Relationships With Other Workers            | 95  |
| 2. Relationships With Supervisors              | 96  |
| F. Employees' Perceptions                      | 97  |
| 1. Perception of Job                           | 97  |
| 2. Perception of Employer                      | 99  |
| 3. Perception of Best and Worst Aspect of Work | 99  |
| 4. Trainee Attitudes Toward Future Employment  | 100 |
| G. Terminees                                   | 101 |
| 1. Reasons for Termination                     | 101 |
| 2. Perception of JOBS Program                  | 103 |
| H. Conclusions                                 | 105 |

|                                                                              |     |
|------------------------------------------------------------------------------|-----|
| VIII. Significance of JOBS Program Components and Operations                 | 108 |
| A. Program Components - Need, Usage, and Effectiveness                       | 108 |
| 1. Orientation and Motivation                                                | 108 |
| 2. Job-Related Basic Education                                               | 109 |
| 3. On-The-Job Training (OJT)                                                 | 109 |
| 4. Special Counseling and Job Coaching                                       | 110 |
| 5. Medical and Dental Services                                               | 110 |
| 6. Sensitivity Training                                                      | 111 |
| 7. Transportation, Child Care, and Other Services                            | 112 |
| 8. Child Care                                                                | 112 |
| B. Relation of Support Services to Program Effectiveness                     | 112 |
| C. Barriers to Program Effectiveness                                         | 113 |
| 1. Internal                                                                  | 113 |
| 2. External                                                                  | 114 |
| D. Operational Problems                                                      | 114 |
| E. Conclusions                                                               | 116 |
| F. Recommendations                                                           | 117 |
| Appendix A - Employment Profile Compared with Job Slots Pledged in Each SMSA | 119 |
| Atlanta, Georgia                                                             | 119 |
| Baltimore, Maryland                                                          | 119 |
| Dayton, Ohio                                                                 | 120 |
| Detroit, Michigan                                                            | 121 |
| Houston, Texas                                                               | 121 |
| Jersey City                                                                  | 122 |
| Miami                                                                        | 122 |
| Phoenix                                                                      | 123 |
| San Diego                                                                    | 123 |
| Tulsa                                                                        | 123 |

|                                                               |     |
|---------------------------------------------------------------|-----|
| Appendix B - Characteristics of Study Sample of JOBS Trainees | 125 |
| 1. Race                                                       | 125 |
| 2. Sex                                                        | 127 |
| 3. Age                                                        | 128 |
| 4. Education                                                  | 128 |
| 5. Public Assistance Status                                   | 129 |
| 6. Family Size                                                | 130 |
| 7. Unemployment Status                                        | 131 |
| 8. Family Income                                              | 132 |
| D. Additional Characteristics                                 | 134 |
| 1. Marital Status                                             | 134 |
| 2. Employment History                                         | 134 |
| 3. Recruitment Source                                         | 136 |



## LIST OF TABLES

|     |                                                                                                                                |    |
|-----|--------------------------------------------------------------------------------------------------------------------------------|----|
| 1.  | Work Force and Unemployment in Sample SMSAs, by Number and Percent, in January 1969 and January 1970                           | 34 |
| 2.  | Frequency of DOT Code Numbers 4, 5, and 6 for JOBS Jobs in the Sample SMSAs                                                    | 37 |
| 3.  | Types of Jobs Held by Trainees Prior to JOBS Employment in Occupations Infrequently Pledged                                    | 40 |
| 4.  | Relationship of On Boards to Unemployment by Sample SMSA (Contract Employers Only)                                             | 43 |
| 5.  | Pledge Goals Compared with Performance by Sample SMSA (Contract Employers Only)                                                | 44 |
| 6.  | Contract Employers' Contribution to Achievement of Goals, by Sample SMSA                                                       | 45 |
| 7.  | Comparison of Unemployment with Goals, by Sample SMSA                                                                          | 46 |
| 8.  | Recruitment Source of Companies' Participation in the JOBS Program (in percents)                                               | 65 |
| 9.  | Number of Companies Providing Supportive Services, by Service and Provider of Service                                          | 75 |
| 10. | Changes Occurring in Family Life After JOBS Participation (in percents)                                                        | 92 |
| 11. | Questions Asked Trainees About Their Ability to Meet Living Expenses Before and After JOBS Program Participation (in percents) | 93 |
| 12. | Gains Mentioned by Trainees as a Result of JOBS Training or Education (in percents)                                            | 94 |
| 13. | Days Respondent Was Absent from Work Each Month on JOBS Job Compared with Former Job (in percents)                             | 95 |

|     |                                                                                                                                   |     |
|-----|-----------------------------------------------------------------------------------------------------------------------------------|-----|
| 14. | Trainee Appraisal of Work Crew Morale (in percents)                                                                               | 96  |
| 15. | Problems With Supervision (in percents)                                                                                           | 97  |
| 16. | Trainees' Positive and Negative Perceptions of Their JOBS Job (in percents)                                                       | 98  |
| 17. | Perception of Personal Attention Received by Trainee After Beginning OJT (in percents)                                            | 99  |
| 18. | Trainee Perception of Best and Worst Aspect About Work for JOBS Employer (in percents)                                            | 100 |
| 19. | Trainee Attitudes Toward the Possibility of Future Employment (in percents)                                                       | 101 |
| 20. | Reason for Termination From JOBS Program (in percents)                                                                            | 101 |
| 21. | Major Reasons Terminees Voluntarily Left JOBS Jobs Employment                                                                     | 102 |
| 22. | Terminees' Feeling About Positive Gains from Jobs Training and Education Compared with Trainees' Feeling (in percents)            | 103 |
| 23. | Terminees' Reponses Concerning Problems with Supervision Compared with Trainees' Responses (in percents)                          | 104 |
| 24. | Terminees' Responses to Amount of Personal Attention Received Compared with Trainees' Responses (in percents)                     | 104 |
| 25. | Terminees' Perception of Whether They Could Have Obtained Equivalent Employment, Compared with Trainees' Perception (in percents) | 105 |
| 26. | Racial Characteristics of Trainees (in percents)                                                                                  | 126 |
| 27. | Sex of Trainees (in percents)                                                                                                     | 127 |
| 28. | Age of Trainees (in percents)                                                                                                     | 128 |
| 29. | Education of Trainees (in percents)                                                                                               | 129 |
| 30. | Trainees Receiving Public Assistance at Time of JOBS Enrollment (in percents)                                                     | 130 |
| 31. | Family Size of Trainees (in percents)                                                                                             | 131 |

|     |                                                                           |     |
|-----|---------------------------------------------------------------------------|-----|
| 32. | Trainee Unemployment Record (in percents)                                 | 131 |
| 33. | Family Income of Trainees in Year Preceding JOBS Enrollment (in percents) | 133 |
| 34. | Marital Status of Trainees by Sex of Trainees (in percents)               | 134 |
| 35. | Former Work Experience of JOBS Trainees (in percents)                     | 135 |
| 36. | Reasons JOBS Trainees Had Left Previous Employment (in percents)          | 136 |
| 37. | Means by Which Trainee Entered JOBS Program, by Sex (in percents)         | 137 |

## I. INTRODUCTION

### A. General

This evaluation of the impact of the Job Opportunities in the Business Sector (JOBS) program was conducted by Greenleigh Associates, Inc., from July 1969 to June 1970 under contract with the Manpower Administration (MA), U.S. Department of Labor (DOL). The findings upon which this study is based were obtained during a field survey which was completed on April 17, 1970.

The evaluation shows that the JOBS program should be continued as a federally assisted manpower program. However, while its concept and design enabled it to function with some success, the study disclosed a number of administrative and operational weaknesses which should be improved. On the positive side, JOBS has demonstrated a viable role for business in manpower training. In addition, disadvantaged unemployed and underemployed persons have been elevated above poverty-income levels, families of trainees involved in the program have benefited, and other public manpower programs have increased their role and have begun to provide additional services to meet the needs of the disadvantaged unemployed and underemployed. On the other hand, the JOBS program has developed little local support except among those members of the business community who are directly involved. The successful continuation and expansion of JOBS will require a broader base of local support both in the business community and among those who are in a position to influence the workers among the hard-core unemployed to enroll in the JOBS program.

The JOBS program was developed following a commitment by the business community to hire thousands of disadvantaged persons and to place them immediately in jobs at regular wages and then to offer them training and supportive services. It is necessary for the future planning and development of the program, to understand, accept, and preserve this commitment.

It should also be noted that JOBS is extremely sensitive to changes in the national economy. During the early months of this study, generally favorable economic conditions and tight labor markets enabled the program to gain an image of credibility among minority organizations and potential enrollees. In recent months, less favorable labor markets prevailed resulting in a layoff of trainees and a decrease in JOBS hiring. Therefore, the belief of the disadvantaged trainee that "last hired is first fired"



has been reinforced. This attitude will militate against the innovative contribution that the JOBS program has made and can continue to make. It is difficult to reduce the real social and human impact to the written word, but many trainees who have remained in the program speak of new or renewed feelings of usefulness and status among their neighbors. Because of the community feeling about the employment opportunities offered by the JOBS program, trainees also were more willing to seek employment' for social, as well as economic reasons.

Even with its limitations, which are documented in this report, and with the need for improvements, toward which the report's recommendations are directed, the program has begun to achieve its primary objective which is to find jobs in private business for the disadvantaged unemployed and thereby improve their ability to have a better life.

The findings, conclusions, and recommendations contained in this report are aimed at providing information on the strengths and weakness of the program, as evidenced by its impact on various segments of the community, and to guide its future development as an effective manpower program.

#### B. Purposes

The purpose of this study was to provide an assessment of the economic, social, and psychological impact of the JOBS program on trainees, terminees, employers, related public manpower agencies, employer associations, unions, the general community, and the target community.

The evaluation necessarily had to be based to some degree on information of a nonquantifiable nature and on insight into the extent to which the JOBS program effected change in institutions, the extent of community awareness of the program, and the image of the program held by various segments of the community, including a sample of JOBS participants and terminees in each community.

#### C. Scope

The scope of the study included all National Alliance of Businessmen (NAB) JOBS contract employer activities, but not the noncontract employers nor those aspects of the JOBS program not specifically related to Manpower Administration (MA) contracts, in the following 10 Standard Metropolitan Statistical Areas (SMSA): Atlanta, Baltimore, Dayton, Detroit, Houston, Jersey City, Miami, Phoenix, Tulsa, and San Diego. The study included 90 JOBS MA employers, 322 trainees who were still



enrolled in the program at the time they were interviewed, 82 trainees who had terminated their initial JOBS employment, 67 federally funded manpower agencies, 16 federally related manpower organizations, 38 community action agencies, 8 city boards of education, 6 mayor's manpower representatives, 9 Model Cities agencies, 24 grass roots community organizations, 10 employer associations, 74 representatives of communication media, and 12 health and welfare organizations. More than 800 persons were interviewed one or more times during the conduct of the field survey operations.

#### D. Approach

The study was approached within a frame of reference that recognized the unique purposes, state of development, and social, economic, and political sensitivity of the JOBS program. Conceptually, the program has been described as a set of economic and social expectations that match, or even exceed, those of any other manpower effort. JOBS is not only addressed to problems of poverty, unemployment, motivation, and alienation from the world of work; it is also expected to deal with issues such as institutional barriers to employment, public-private sector cooperation, and community tensions.

Elements of the JOBS program related to these problems are shown below:

| Problem                           | Elements of JOBS                                                                                                                                      |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Poverty and unemployment          | Provision of training and jobs at Federal minimum wage or higher to hard-core unemployed                                                              |
| Alienation from world of work     | Outreach, recruitment, increase in number of jobs, training, and supportive services                                                                  |
| Barriers to employment            | Active outreach, recruitment, reduction of traditional entry requirements, supportive services                                                        |
| Public-private sector cooperation | MA contracts with private industry provide Federal funding for training in JOBS job slots; SES and CEP recruitment, and referrals to private industry |
| Community tensions                | Provision of jobs; visibility of program in terms of providing jobs; and visibility of commitment of established institutions to providing employment |

The emphasis in this evaluation was on assessing the nature and extent of the impact of JOBS with respect to the problems to which it is addressed. From a research point of view it was not possible to control or even account for the multitude of non-JOBS variables that conceivably influenced the various problems involved. Thus, the basic research strategy was a descriptive-analytical approach structured to provide a comprehensive documented evaluation of the program's impact.

In carrying out this strategy, three major methods were used. The first was intensive in-depth, on-site field work by an experienced field staff sufficiently sophisticated both in research and in the manpower field to detect and report accurately the variety of phenomena under study. The second utilized data from a variety of sources such as trainees, employers, manpower agencies, community organizations, etc., to provide a comprehensive picture of the program's impact. The third method involved structuring the information assembled from the 10 study areas in a sufficiently uniform manner so that comparability was assured and the data were susceptible to an overall analysis and synthesis.

In addition, there are a number of factors inherent in the JOBS program that had to be taken into consideration in carrying out this approach:

1. the JOBS program is new and in many places has become operational with a minimum of preplanning;
2. the policies governing the program have been subject to revision during the brief time the program has been underway;
3. for many private employers the JOBS program represents a set of relationships with which they have had little prior experience;
4. the program is dealing with sensitive internal areas for each employer including production, profits, stockholder relations, and community relations; and
5. the nature of local administrative responsibility for the program involves relationships that are in a stage of development among NAB, the MA, the Concentrated Employment Program (CEP), the Employment Service (ES), the Community Action Agencies (CAA), the local mayor's office, and other groups.

The study method described in this report was designed to be carried out within this general frame of reference.

## E. Objectives

The major objectives of the evaluation included the following:

1. To ascertain the social, economic, and psychological effects of the program on a representative group of 400 trainees hired under a MA-JOBS contract prior to January 31, 1970, including 300 who were still enrolled and 100 who had terminated.
2. To ascertain the effects of the program on a representative group of employers who hold MA contracts with respect to (a) the economic impact of the program on their businesses, (b) their attitudes toward hard-core unemployed persons and the employment of such persons, and (c) the institutional changes that have occurred in their operations as a result of participation in the program (e.g., recruitment, selection, training, assignment, supervision, work and production schedules, job specifications, career ladders, promotions, supportive services, etc.).
3. To assess the impact of the program on manpower-related organizations and agencies including the ES, CEP, CAA, welfare departments, vocational training and skill centers, employer organizations, and non-JOBS employers.
4. To appraise the effects of the program on organized labor in terms of its attitudes toward the program and toward employment of the hard-core unemployed, and in terms of its impact on union practices and policies.
5. To determine the image of the program among trainees, employers, unions, the general community, low-income community, and manpower and related agencies, as well as among those who mold opinion through formal and informal leadership positions and among the communications media.
6. To see if there is any evidence that the program has had any positive effect on community tensions.
7. To appraise the impact of the program on the local job market in relation to a) displacement of existing employees, b) suitability of placement of JOBS trainees, c) and any effect on employment opportunities for self-motivated, low-skill workers.
8. Subsidiary to the above study objectives, the evaluation would also appraise: (a) the extent to which the JOBS program was quantitatively achieving its stated goals as of September 30, 1969 and



March 31, 1970 as specified in the proposal; (b) the relationship of goals to the need and to their probable attainment; (c) the estimated impact if stated goals were realized; (d) the extent to which various program components, such as orientation, basic education, health services, counseling, supervisory training, coaching, and transportation are included; (e) the impact of each of these components upon the program; and (f) the strengths and weaknesses of the general operation and administration of the program as they affect the program's impact.

#### F. Method

The principal approach was a descriptive-analytical study of the JOBS program during its actual operations over a nine-month period during which the five field analysts spent approximately four and one-half months in each of the 10 SMSAs. After a week of special training and orientation to the study and its methodology, the five field analysts were provided with specially devised research instruments to facilitate the systematic collection of data and information at a number of levels. The fact that the NAB-Metro (local NAB organization) and contract programs in each SMSA were structured differently and at different stages of development or re-organization made it possible to observe directly almost all elements of the MA employer program.

By on-site observations, and in-depth interviews, and by administering specialized interview guides to employers, employees, manpower agencies, community organizations, and media personnel, and by analyses of primary and secondary resource materials and documents, the field analysts obtained the necessary data to prepare monthly reports analyzing the operating program and its impact on various segments of the community.

The study focused in greatest depth on the individual MA employers and trainees. Next it examined the NAB-Metro, other manpower and manpower-related programs using or adapting to the JOBS program, and a variety of community organizations and groups. Finally, the total community was assessed as a host environment for the program as presently operating and in anticipation of future program operations.

The basic steps in the study involved:

##### 1. Preparation and Design

Interviews were conducted with key personnel in the MA, the DOL, and with headquarters personnel of the NAB to obtain background information about the JOBS program, to gather general background documents, and to ascertain the kinds and availability of statistical data currently used by these sources.

Appropriate regional manpower administrators were visited to obtain up-to-date data regarding MA contracts which were in operation in each SMSA. Research instruments were designed. Training and orientation of study staff was carried out.

2. Field Survey

a. Interviews with Employers

Using prestructured interview guides, the field analysts conducted nondirective, focused interviews with 125 persons, including company executives, middle management staff, and supervisors or foremen of JOBS trainees, in 90 different companies. The companies included in the sample were required to have hired 5 or more JOBS trainees before March 31, 1969 and no more than one was included from each major industrial classification where possible. The list of companies meeting these criteria was assembled and, in each SMSA, eight were randomly selected.

To achieve a reasonable randomness of employers required considerable adaptation and judgments. In Detroit and Atlanta it was not possible to hold to the criteria because of the requirement that the Greenleigh study coordinate with another firm also conducting a study involving MA employers in these cities. Jersey City, Tulsa, and Phoenix did not have a sufficient number of employers meeting the criteria so it was necessary to accept employers who had fewer than five JOBS trainees or to permit duplication in the industrial classifications mix. In some cases employers were given only an abbreviated version of the interviews because the quota of employers had been filled but trainees from that company had to be interviewed to fill the trainee quota.

b. Interviews with Trainees

The field analysts, using a uniform interview guide, conducted non-directive focused interviews with 322 trainees who had been on board prior to March 31, 1969 and were still on board, and with 82 persons who had terminated their JOBS employment. The study plan was to develop lists of eligible trainees and terminees from the group of 8 selected employers in each SMSA and to select 30 trainees still on the job using a table of random numbers. Records regarding trainees on board and on those who had terminated were not sufficiently accurate to permit selection by the above means.

While available trainees and terminees who could be located were interviewed by random selection where possible, in many cases the only way to determine accurately who was on board or terminated was through direct



interviews with the personnel staff of individual employers. This method was time consuming and precluded random selection of trainees.

Although information was gathered directly from interviews with trainees, it must be pointed out that the trainee sample of 400 does not represent a sample of JOBS participants with sufficient statistical reliability to permit national conclusions to be drawn.

### 3. Other Interviews

Separate interview guides were developed for manpower agencies, employer associations, and community organizations. These guides were used in interviews with key personnel in the various agencies and organizations as well as with key political, community, and civic group leaders. Also a special interview outline was developed for interviews with communication media personnel. Thus quantifiable data were obtained on all relevant aspects of the JOBS program including such items as local structure, recruitment, orientation, operating problems, impact on agencies, and future plans. Responsible spokesmen for local, state, and regional, public and private, organizations and agencies were asked about their involvement in the program; their knowledge, understanding, and perception of it; their attitudes towards it; and the extent of community support for the program. The numbers and kinds of agencies and organizations are listed in the earlier description of the scope of this evaluation.

### 4. NAB-Metros

Baseline data on all aspects of the local NAB-JOBS program were obtained through a program data guide. This included information on such items as its local structure, financing, staffing pattern, operating problems, pledges and goals, relationships with other agencies and organizations engaged in manpower activities, relationships with the community at large and the target community, and plans for the future.

### 5. Final Analysis, Synthesis, and Report

Data from employer and trainee interview guides and other data gathered by the research staff were coded, keypunched, and tabulated through the use of electronic data processing equipment. These data, combined with all other recorded data and observations, with summary descriptions and analyses of broader program dimensions, with the information obtained from the six two-day debriefing sessions of the field analysts, and with the material developed for three JOBS conferences conducted by Greenleigh Associates for the Department of Labor, were utilized in preparing the final analysis and synthesis in this report.

The basic format of the organization and presentation of the results of the study involves description and analysis of the impact and viability of the program, and its strengths and weaknesses in relation to the employer, the trainee, the program, other manpower operations, and the community.

The preceeding section summarizes the major findings and conclusions of the study and presents the resulting recommendations. Chapter II sets forth the background of the program. Chapter III deals with the image of the JOBS program among various segments of the community and the implications of these data for the future of the program. Chapter IV describes the program's impact on the job market and points up the limitations of data presently available on this subject. Chapter V discusses the impact on manpower and other related organizations. Chapter VI assesses JOBS' impact on employers in terms of their company's present and future manpower needs and their knowledge of and attitudes about the program and the program participants. Chapter VII describes the characteristics of the trainees, evaluates the impact of the program on them, and discusses the implications of these data for the future of the program. Chapter VIII includes a description and an analysis of the strengths and weaknesses of the various elements of the program and the program operation. Appendix A provides a description of SMSA employment profiles compared with JOBS slots. Appendix B provides an analysis of the characteristics of the study sample trainees and compares selected characteristics with those reported on hire cards by all JOBS employers in the 10 SMSAs studied.

## II. BACKGROUND OF THE JOBS PROGRAM

### A. Problems of the Hard-Core Disadvantaged Unemployed

Unemployment does not have impact on the labor force uniformly or randomly. Except in cases of mass lay-offs it by-passes those with special skills and training and strikes the unskilled and semiskilled who do not have seniority in the labor union, as well as both young persons and women who are making their initial venture into the labor force. The result is that, although the national unemployment rate might rise above 5 percent, the rate for unskilled workers might be 15 to 25 percent, and the rate for specialized minorities such as blacks, youths, and women may soar as high as 35 percent.

A Study of Those Not Working In A Tight Labor Market, conducted by Greenleigh Associates in 1967, ascertained that while there were unemployed persons in a tight labor market who were not working but want to work, most of these individuals were not actively seeking work. Further, their characteristics were such that, for most, major impediments to employment would need to be overcome before they could move into the active labor force.

The impediments include both external obstacles and those peculiar to the individuals. Outside barriers include: race, age, or sex prejudice; employer-established requirements for specific skills; the inability to pass certain employment tests; lack of predetermined educational credentials; or exclusion based on criminal records. The internal obstacles include insufficient education or training; poor attitudes or motivation; poor health; child care responsibilities; and family and social relationship problems.

The unemployed are composed of three major groups. One group, mostly under 30 years of age, includes those who are voluntarily idle but could get work if they were sufficiently motivated to do so, even though they might not get jobs at salaries that would satisfy them. They have spotty work experience and lack skills thus limiting the kinds of work available to them. This, in turn, lessens their motivation to be active in the labor force. Many are of prime working age and are short-term unemployed who will probably reenter the labor force on their own, even without sufficient skills or a bright work future.

The second group includes mostly workers over 45 who have been out of work a substantial period of time. Many lack skills, experience, and a good work history. They are considered too old, and harbor such feelings of being alienated from the world of work that they appear lost to the labor force in terms of permanent and meaningful work. Some have withdrawn from the



labor market and are not actively seeking employment, some are dependent, and some pursue illegal means of earning a living. Unless very special remedial and rehabilitative programs are undertaken, little can be expected from this group in the way of increasing the available labor market.

The third, and most promising group includes younger persons and persons of prime working age who are sufficiently motivated to be actively seeking work, who recognize their inadequacies, and who express optimism about their future. Most of them, however, lack training or skills and are relatively new to the world of work. The men in this group represent an excellent labor market resource provided they are given training in special programs designed to provide them with skills that are saleable at regular wage levels. There are a large number of women in this group who, in addition to external barriers, have child care responsibilities which can only be met by an adequate day care program.

Common to each group is their lack of the skills required by employers and unions, and their lack of work experience. Equally important is the fact that the existing job market has not afforded them the opportunity to attain the needed skills and experience. It is to these unemployed groups that the JOBS program addresses itself.

#### B. The JOBS Program Concept

For a number of years business has operated on the principle that the public schools would continue to provide the training to produce the necessary qualified manpower to satisfy its labor force needs and, until recently, the labor supply thus trained was sufficient to fill industry's requirements. However, from the mid-1960s until the 1970 downturn the economy operated at a high level and labor was generally in short supply. As business began to reach down to the lower levels of competency to meet its labor force requirements, it was appalled to find many, many persons who could not perform at the high school level even though they had completed several years of high school or were high school graduates. Some corporations began to recognize the need to develop their own basic education programs, while others felt that it was economically unfeasible to attempt to train educationally disadvantaged and unskilled persons and still others feared to introduce large numbers of minority employees into their predominantly white work forces. Finally, some employers, recognizing that the core problem of a "racist society" was the inhuman cycle of unemployment and consequent low family income, poor housing, and poor education leading back to unemployment, decided that it might be economically sounder for business to hire and train the hard-core disadvantaged unemployed than to further expand public manpower training employment programs.

C. JOBS Program Implementation

As a result the President, in his message to the Congress in January 1968, introduced the JOBS program, based on the pilot test program that had been carried out in five cities in 1967. The test program had sought to "ally the forces of Government with those of private industry in a joint attack on hard-core unemployment." Business had been asked to develop plans for on-the-job training for severely disadvantaged residents of CEP areas. Earlier, in 1967, the DOL had signed contracts with six private employers to provide training and placement assistance for a large number of "the most seriously disadvantaged," in a coordinated effort with the CEP in each city. These contractors were to recruit trainees; provide medical examinations and minor medical treatment as needed; offer basic education, motivational training, work orientation, prevocational, on-the-job, and skill training; as well as continuous counseling and placement. The JOBS program was a natural outgrowth of this test program.

It was expected that the JOBS program would:

- ... enable contracting companies to provide immediate employment at regular wages for the hard-core unemployed workers identified by the government, coupled with training and supportive services;
- ... provide payments to companies to cover the extra cost of furnishing basic education, transportation services, corrective health services, counseling, etc;
- ... provide employment for persons who would be less qualified than those usually hired by the contracting employer. These persons would need more training than the typical employee;
- ... emphasize upgrading present employees caught in low-wage dead-end jobs to higher-level positions in addition to hiring unskilled disadvantaged workers for entry-level jobs.

D. Organization of NAB

The JOBS program was built on a commitment by the business community in 50 cities in 1968, and more recently made nationwide, to hire and train the hard-core disadvantaged unemployed. The National Alliance of Businessmen, Inc. (NAB) developed an organization of ten regional offices in the cities which have DOL Regional Manpower Administrator's offices, and city offices (Metros) in 127 cities. Personnel loaned largely by private industry were used to enlist the support and job pledges from private business. The NAB carries out its program through four national departments: Operations; Job Procurement and Job Placement; Recruiting and Government Programs; and Public Relations.



In each city in which it operates, NABS develops a full-time Metro team, directed by a metropolitan chairman appointed by the President of the United States which includes businessmen loaned by their companies, and a representative of the DOL. The function of each NAB Metro is to: conduct an annual campaign, contacting companies directly, or through existing local organizations, to persuade them to provide jobs for the disadvantaged; work with local public and private organizations to identify and recruit disadvantaged persons to fill these jobs; expedite contracts so companies may receive government subsidies to offset the extraordinary costs of training programs; and work with companies to provide training programs for first-line and other supervisors that will improve retention rates.

#### 1. Metro Organization

National NAB established a basic organizational pattern to be followed by the Metros. It was foreseen, however, that each area would have individual characteristics which might necessitate deviations from this pattern. Nevertheless, NAB literature stated, "Experience has shown that the basic three-man approach... can be adopted to virtually any community situation."

All the Metros visited had some variation of the staffing pattern recommended by the national headquarters. Some significant differences occurred in a number of the SMSAs.

The three key executives specified by NAB for each local office are the Metro Director, the Manager of Job Procurement and Placement, and the Manager of Recruiting and Government Programs. The Metro Director coordinates all operations. The Manager of Job Procurement is mainly responsible for soliciting job pledges. The Manager of Recruiting, assigned by the ES, works with local public and private agencies which can refer unemployed persons to job openings. He is also expected to expedite "contractual arrangements between private firms and the Department of Labor."

In addition to the three forementioned members, a Metro chairman is recommended, to oversee the program, recruit business through contacting top-level businessmen, and to represent JOBS to the community. Most Metros used only a part-time chairman who was usually a high-level corporation executive well known in the business community.

Also mentioned by National NAB as a possible addition to the local organization are:

1. an Interagency Resource Committee;
2. a Business and Industrial Advisory Board; and
3. incidental staff such as clerical and public relations people.

a. Metro Director

Varied use was made of the Metro directors. Three of the local NAB organizations (Atlanta, Detroit, and Houston) were using a director only part time. In each of these cases an additional administrator was employed to manage the office. The Dayton organization was significant in that co-directors were used to administrate the program. This approach was used to involve more firms in the program and to insure continuity in operations by staggering terms. Tulsa was the only Metro with no Metro director.

b. Manager of Recruiting and Government Programs

The area of most uniformity in the organizations was the Manager of Recruiting and Government Programs (known as the "man-man"). Based on interviews with Metro staff, representatives of the business community, and observations by the study staff, it was found that the man-man operation was a vital component of the Metro office. For example, in Tulsa, Atlanta, Phoenix, and Dayton, the man-man was cited by those in and out of the program as being the major factor in program successes.

c. Job Procurement and Placement Manager

Every Metro except Atlanta and Tulsa had a Job Procurement and Placement Manager. They were on loan either from industry or the chamber of commerce. Atlanta employed an executive coordinator to carry out most job procurement activities. Tulsa's job solicitation efforts were limited.

d. Metro Committees

Limited use was made of advisory committees although National NABS recommend the creation of a Business and Industry Committee and an Interagency Resource Committee. These committees were intended to involve labor, community organizations, other manpower organizations, and local government in Metro activities.

The representation of organized labor was minimal in the cities studied. In three instances provisions were made for an HRDI representative to work part time with the Metro staff, but in each case the position was inoperative. Representation by community leaders and government agency personnel also was limited in the Metros studied. Four of the Metro organizations did not have any committee members who were familiar with minority peoples or any who represented manpower agencies.

A few of the NAB offices used more elaborate NAB staffing patterns. In Houston eight full- and part-time people were employed including an executive assistant, a publicity director, and an office service director. San Diego used an office manager and two contract representatives. Phoenix has made plans for an extensive organization to be implemented during 1970 in which additional businessmen will be used for public relations, special training, and various administrative functions.

E. Job Procurement and Placement

1. Similar Procedures

In assessing the recruiting of employers into the JOBS program, the staff studied the solicitation by the Metro of pledges from employers, the conversion of pledges to job orders, and the follow-up of these job orders. There were similarities in the procedures in almost all the SMSAs studied. The main recruitment effort in every one except San Diego and Tulsa was the use of volunteers from local business, who are trained for a short time by the Metro staff, to visit specific employers both to explain the program and to solicit pledges. The second similarity was the role of the ES in converting pledges to job orders. In each city except Baltimore, the man-man or another ES representative was responsible for visiting pledging employers and converting their pledges into actual job offerings. This, in many cases, meant that the ES representative had to reexplain and resell the program because the employers did not understand what they had committed themselves to. Thus the ES role in JOBS becomes another form of job solicitation. In Baltimore, job conversion was carried out by personnel at CEP.

Baltimore, Dayton, Jersey City, and Miami use a job bank or job control center to keep track of referrals, job offers, and available trainees. The other cities continue to use systems controlled by an ES placement coordinator. Finally, under the JOBS 1970 program the ES staff are designated as the contract service representatives and, as a matter of government policy, will visit all employers desiring MA contracts to provide technical assistance and prepare the contract application, as they have been doing in Atlanta, Phoenix, San Diego, and Detroit. One representative will usually be assigned to each Metro.

General pledge solicitation and the job flow process in specific cities is described below.

2. Atlanta

In Atlanta several methods are used to attract businesses to the program: there are annual kick-off dinners to generate enthusiasm and create pledges;



teams of businessmen who have been trained by the Metro continually visit employers who are listed on a United Fund mailing list; large businesses are visited informally by such persons as the Metro chairman and director, representatives from government agencies and educational corporations, as well as businessmen from the chamber of commerce.

Once an employer has pledged a job, he is visited by the man-man for further explanation of the program including its contract aspects, and by an employer relations person from the ES who converts the pledges into job orders for both contract and noncontract employers. During visits to employers, ES personnel also become involved in job solicitation. Finally, DOL regional staff visit companies wishing a contract to help them prepare and submit contract applications.

Approved contract jobs and noncontract jobs are distributed by the ES placement coordinator to the five CEP outstations. If unfilled after 48 hours they are then made available to the various manpower organizations in Atlanta, which clear referrals through the placement coordinator to prevent two people being sent to the same job.

### 3. Baltimore

The Baltimore solicitation scheme begins when the Metro director sends letters to local companies to promote the program and to recruit volunteer businessmen for the solicitation program. These volunteers visit the chief executive of local businesses to explain the NAB campaign and secure pledges. Pledge cards are submitted to the Job Placement and Procurement manager who forwards the information to the employer relations staff of CEP. CEP staff visit employers to convert the pledges to job orders and counsel those wishing an MA contract. The Job Placement manager keeps a record of job conversions.

CEP is given a 48-hour period to fill the job order after which the order is sent to the ES Job Bank which distributes it to other manpower sources.

### 4. Dayton

In Dayton, pledge teams of businessmen, recruited by the Metro chairman, are assigned to employers by industry type (i. e. , manufacturing, retail, etc.). Each team visits about eight or ten businesses to discuss the program, provide a packet of information, and solicit job pledges. Records of pledges are maintained at the Metro and the ES job control center. The pledging companies are visited by an ES representative and by the man-man to determine when they will actually be prepared to hire. The job orders are forwarded to CEP for a 72-hour period. Unfilled orders are then distributed to ES outstations and other agencies.



5. Houston

In Houston the process has mainly involved 140 volunteers assembled by the Metro chairman from the middle to upper echelons of local businesses. These men visit and solicit pledges from local firms. The pledges are converted to job orders, contract or noncontract, by representatives of the Texas Employment Commission. After CEP has had them for 48 hours, TEC and other agencies fill those still unfilled.

6. Jersey City

The Jersey City pledge campaign commences with a kick-off dinner for 300 firms recruited by the Metro chairman. From this dinner, about 30 companies each volunteer one man to work on the pledge campaign. After receiving training from the Metro office, the volunteers are assigned to contact companies. Pledges are forwarded first to the Metro and then to the ES. The ES representative visits employers to convert pledges to job orders. The jobs are first registered at the ES job control center, are made available to CEP for 48 hours, and afterward are distributed to ES outstations and other public and voluntary manpower agencies.

7. Detroit

The only pledge campaign held in Detroit was in 1968 and involved the Metro recruiting volunteers to visit businesses and secure pledges. Since then, recruitment has been informal and has mainly been conducted by the Chamber of Commerce. Job conversions are made by ES and CEP and openings are forwarded to CEP-STEP centers.

8. Miami

In Miami, the Metro chairman and director, Chamber of Commerce members, and teams of businessmen trained by NAB, visit businesses to promote JOBS and obtain pledges. The Metropolitan Education and Training Corporation and Philco-Ford have provided assistance in contract preparation. Pledge records are forwarded by the Metro to ES which sends an employer relations representative to make job conversions and offer the employer the option of taking an MA contract. The ES placement coordinator, who is also the NAB man-man, distributes job orders to CEP and, when unfilled by CEP, to other manpower agencies. He also maintains control over referrals.

9. Phoenix

The Phoenix recruitment process is comprised mainly of direct solicitation by Metro staff, executives of local industry, and Chamber of Commerce

volunteers. Pledges are referred to the ES which does job conversion and provides consultation to employers desiring an MA contract. CEP has the usual preference in referring persons to jobs. The ES maintains an Equal Opportunity Center for administrative purposes to keep control over referrals and available jobs.

10. San Diego

NAB Metro's sole responsibility in San Diego has been to secure job pledges. This is accomplished by direct staff contact with the heads of local firms and by group seminars designed to provide information and a forum for discussion of the program's significance. During the latter part of 1969, however, the Metro staff began offering technical assistance to employers desiring contacts through ES contract service representatives who are responsible to the Metro's man-man. ES also is solely responsible for job conversion and provides technical assistance to businesses in this regard.

Since no CEP organization exists in San Diego, all referral and certification activities, job openings, and placements are centered in the ES offices.

11. Tulsa

Solicitation of pledges in the Tulsa SMSA is limited primarily to visits to businessmen by the Metro chairman, but his participation is only on a part-time basis. Usually job openings are created when an employer contacts the Metro office seeking information. He is then visited by the man-man who explains the program, secures job orders, and writes the contract. The man-man turns job orders over to the CEP staff where an ES person attempts to match applicants with jobs. Thereafter, unfilled orders are made available to the ES. No other manpower agencies are involved in recruitment in Tulsa.

F. Guidelines

The original goal of the NAB-JOBS program for both noncontract and contract employers was to place 100,000 disadvantaged men and women on the job by June 30, 1969. A further goal of 500,000 was set for June 1971 but was raised to 614,000, with an interim goal of 338,000 disadvantaged on the job by June 30, 1970.

The DOL guidelines call for the JOBS program to provide immediate employment to the hard-core unemployed to be followed by training and necessary supportive services. The jobs and training offered are to provide for advancement opportunities beyond the immediate job at hand. Other major programmatic guidelines include the following.

1. The MA contractor is to provide the training and other supportive services necessary to develop a permanent, productive worker. Successful completion of training is defined as retention by the employer of the trainee as a full-time employee in the occupation for which he was trained.

2. Dead-end occupations or occupations that are technologically threatened are not acceptable for training under an MA contract.

3. The trainee is to be paid the usual wage for the level of his position, or at least the Federal minimum wage of \$1.60 per hour, and to become a full-time employee the first day he enters the JOBS program even though he needs support services.

4. All trainees recruited by employers must be certified as hard-core disadvantaged by ES or CEP before they are eligible for the JOBS program.<sup>1/</sup> Applicants from the inner city ghetto areas are the primary target populations although other applicants residing in the SMSA may be considered.

5. The definition of eligibility is refined further to identify individuals with special obstacles to employment as follows:

a. unskilled or service workers who have had two or more periods of unemployment totalling 15 weeks or more during the past year;

b. workers whose last jobs were in occupations of significantly lower skills than their previous jobs;

c. workers who have family histories of dependence on welfare; and

d. workers who have been permanently laid off from jobs in industries which are declining in their region, e.g., agriculture, coal mining, etc.

---

<sup>1/</sup> The hard-core disadvantaged is defined in Manpower Administrative Order #2-681, February 8, 1968, as "A poor person who does not have suitable employment and who is either: a school dropout, a member of a minority, under 22 years of age, 45 years of age or older, or handicapped."

6. The scope of preoccupational training is to be determined individually by each MA contractor and is determined by the specific needs of the trainees to overcome the handicaps that prevent them from becoming productive employees. Any extraordinary training and/or rehabilitation costs needed to train the hard-core worker to be fully productive is to be borne by the Federal government. This includes, but is not limited to, training, educational services, medical and dental exams, transportation, counseling, and productivity differentials. Certain other costs, such as administrative expenses, sensitivity training for supervisors, etc., are allowable.

7. Under the JOBS '70 program, MA contractors can apply for payments to cover the extraordinary costs related to training and supportive services based on broader definition of productivity differential.

8. Also under JOBS '70, employees in the upgrading program need not be former JOBS employees. (Upgrading this group of employees should create additional vacancies that can be filled by JOBS training). Eligible for upgrading are persons identified as the working disadvantaged (employed at least six months in low-wage and/or low-skill category jobs and indicating a potential, with special help, to advance to higher wages and greater responsibility) who, because of failure to pass ordinary job requirements, could not advance; or persons being upgraded to fill jobs in which there is a demonstrated shortage of skilled workers.



### III. IMPACT ON THE COMMUNITY

#### A. Community Perceptions of Program Effectiveness

The image of the JOBS program varied among SMSAs and among different groups within each community. More criticism of the program was expressed by persons in the poverty areas who were familiar with JOBS than by any other group. Much of this negative reaction reflected hostility toward a government and a business community which, these leaders believed, have been insensitive to the needs of the poverty area residents. The criticism focused on the type of jobs offered, the quality of training, and, more recently, their experience with the susceptibility of trainees to lay-off during an economic slowdown.

##### 1. Business and Professional Organizations

The extent to which the business and professional community was aware of the JOBS program varied from city to city. In cities where the business community was very much aware of the program, it was either because of good media coverage, active participation of the local chamber of commerce, or because of an active Metro Business and Industry Advisory Committee. However, among the 10 SMSAs studied, only six had established a formal Business and Industry Advisory Committee. In Atlanta, this group met only two times per year. In the other cities, meetings were scheduled on a monthly basis. However, Metro staff indicated that this schedule was not adhered to and meetings were sparsely attended. Field analyst evaluations of talks with Metro personnel indicate that, except in Atlanta, Metro had not developed agendas on meaningful responsibilities that would encourage active participation by committee members. In cities where the local chamber of commerce was the sponsor of a consortium, more businessmen knew about the program, probably because of their affiliation with the chamber.

Members of business and professional groups, as well as many MA employers who were involved in the employment problems of the hard core for the first time, admitted that the JOBS program had helped them to understand that persons from disadvantaged backgrounds have problems which the employers may never have encountered nor considered. Some of these businessmen pointed out that their involvement with JOBS had encouraged them to become more active in seeking solutions to other community problems. Some have volunteered to participate on advisory boards of neighborhood organizations concerned with problems of education, sanitation, etc.

## 2. Citywide Community Organization

Representatives of many civic groups said that the JOBS program is a way in which small companies can get cheap labor. They based this criticism on the caliber of the jobs being pledged and pointed out that many of them are dead-end jobs that have gone unfilled for a long time. In each SMSA it was charged that the large companies that could best afford to offer jobs with career ladders were not participating.

The JOBS program was usually identified by community leaders with the consortium sponsor or the training firm providing support services to MA employers, rather than with the NAB Metro office. This usually resulted from the failure of the sponsor or the MA employer to develop effective linkages with these and other community organizations. Field analysts frequently found that MA employers, particularly members of consortia, were sensitive about community reactions and did not wish to be identified as JOBS employers. A few employers did not want the trainees to know that they had been hired under the JOBS program, and two refused to identify JOBS trainees to the field analyst. Explanations offered by company officials were: 1) older workers might resent knowing that some employees were receiving special attention; 2) some trainees may resent being singled out as "hard core" by the company; 3) the identity of JOBS trainees might better be kept from supervisors and workers, in some cases, in order to avoid subjecting trainees to possible harassment; and 4) NABS recommended low visibility for employers.

In each SMSA there were leaders in government agencies, and in civic and grass root organizations, who expressed concern about the operation of the JOBS program. Most frequently mentioned were excessive costs per trainee and proposals which promised supportive services to trainees that were never offered. Many had become disillusioned with certain employers who, they believed, had abused the program. In one city, the total JOBS image in minority communities had been damaged by reports from trainees and neighborhood workers of unscrupulous practices of one or two JOBS employers. These employers had been accused of seeking cheap labor for sweat shop jobs, hiring trainees under false pretenses, or promising elaborate supportive services that were never delivered, among other things.

## 3. Minority Community

In several cities, many minority persons had never heard of the JOBS program. Other community organization leaders in minority communities had heard of the JOBS program but had had no contact with JOBS officials and knew nothing about the program. Because of this they did not feel they could support it.

Those agency officials who knew about the program considered that its strength lay in the fact that local businesses were becoming involved in the employment problems of the SMSA and expressed the opinion that such business participation had long been needed.

In communities where the JOBS program enjoyed good promotion through the media, particularly the black-oriented media, the program was known. In communities served by black-oriented radio stations that donated promotional time and services to the JOBS program, more minority leaders were aware of the program and expressed some optimism about its goals. It was also far better known where such groups as NAACP and CORE supported the JOBS effort. Often these groups, through their youth and education components, provided the program with recruitment services.

B. Factors Affecting Program Image

1. Employee Success

The image of the program was often based on the community "grapevine." News of successes and failures of prospective trainees had spread quickly throughout the community. Successful trainees are by far the best ambassadors of the JOBS program which enjoyed its best image in local neighborhoods where successful employees lived. In some communities, because of word of mouth, the JOBS program was looked upon as the best place to go to get a job.

Those community groups which had referred trainees who had been successfully placed held the program in high regard. However, several agencies had referred persons to the program and had never received information about whether the referrals had been hired or why they had been rejected. For example, one agency had referred 105 persons to a consortium over a period of eight months and had never been able to ascertain which referrals had been placed and why others were rejected. As could be expected, this agency's attitude toward the program was extremely negative. Because of the limited linkages with other programs and organizations, respondents gave more negative than positive opinions.

2. Communication Media

The study of the image or awareness of the JOBS program included an assessment of coverage by media, and the knowledge of and attitudes toward the program held by media staff. Thus, it was based on the response of journalists both in what they printed and what they said privately. There were 74 interviews conducted in the 10 test cities.



Of these, 34 were with print media personnel and 40 with electronics or broadcast media journalists. They represented the following categories: daily newspapers, television stations, radio stations, weekly newspapers, ethnic publications, and special interest publications.

In addition to the interviews themselves, other primary sources of media coverage included the libraries of newspapers, and radio and television logs, where possible.

Still another important source of data was furnished by newspaper clipping services which furnished all clippings from the test cities over a protracted period of time. Radio-TV reports on the JOBS program provided documentation on broadcasts emanating from the cities studied. This was not as significant, however, since their pick-up was poor.

a. Procedure

A master list of major daily papers and broadcast media including weeklies, black-oriented publications, and remote radio stations was developed. This list was supplemented at roughly the midpoint in the study.

A set of instructions for collecting media data was given to each interviewer to be used with individuals representing both regular and such specialized media as militant publications, which might not appear on any list but which frequently spring up to deal with civil rights issues.

On daily newspapers, the people seen were primarily editors, managing editors, city editors, urban writers, labor writers, and any newsmen who might have had some special awareness of the program by virtue of their assignment. In broadcast media, the station managers, program directors, and news directors were approached, and often the public affairs or public service departments as well. Interviews sought, where possible (via other interviews with trainees, companies, etc.), to relate the impact of the program to the printed, televised, and radioed comments in the press.

b. Findings

A series of findings, some conclusive, some less conclusive, follow:

1) Publicity

The positive publicity generated was extensive at the beginning of the program, during the announcement of the JOBS program nationally and even during local follow-up and activity. This publicity diminished until the following happened:



- a) scandal or public criticism;
- b) voluntary public relations and advertising assistance was offered; or
- c) new local chairmen were announced.

In one instance, headlines were created that hurt the program. In still others, criticism was leveled at CEP and at other agencies which created confusion in the public mind since there is a tendency to lump together programs which have similar involvement. For instance, a headline which read "HIT JOB PROGRAM" was not referring to the NAB program, but the damage done was incalculable. Among the cities studied, Houston and Tulsa appeared to have much of this type of confusion.

Where advertising and public relations firms have volunteered their services, they have generally contributed to a more positive public image and awareness of the program. Cities like Phoenix, Atlanta, and Miami exemplify how the use of professionals on a volunteer basis can increase the visibility of the program.

## 2) Public Awareness

The business community seems to be the public most aware of the program and, to a lesser extent, the general public. The least aware seems to be the potential trainee since most of the ongoing publicity is business-oriented. New appointments, companies enrolled, and drives launched, are mainly reported via the conventional media: Daily newspapers, radio stations, and to a lesser extent, television.

The "soul" radio stations and the black publications have not carried as much publicity for the program since these media, where the potential trainee would be most likely to learn about the JOBS program, are not nearly as well staffed as the others and whatever publicity they carry must be based on readily usable material furnished to them. Even a phone call or a visit is usually insufficient to inspire coverage that would communicate with the potential trainee.

In Baltimore, the city editor and a major reporter of one black publication were totally unfamiliar with JOBS. In Dayton, a black publisher said he spent most of his time selling advertising space and could not initiate coverage; also, since it is difficult to sell space, and space determines the number of pages of editorial copy, he could not devote much to a program like JOBS. In Jersey City, only 2 of 28 trainees interviewed had learned of the program via publicity; in Baltimore, only 1 of 35. None of the trainees in Tulsa had heard anything about the program from media and only one in Detroit had. In Dayton, a "soul" station operator said that, of 80,000 blacks, he believed that less than 2 percent knew of the JOBS program.

Sometimes the JOBS program had received general visibility as a result of a spurt of activity, such as the Summer JOBS program. Through stories generated about this aspect of JOBS, the public had become aware of the program as a whole.

3) Character of Awareness

Circumstances have dictated trends in the degree, extent, and image of the program which exists. In Detroit, for example, the JOBS program almost appears to be an automotive program, since Henry Ford has been deeply involved and the other motor companies have also been prime movers in the program. Obviously, the publicity reflects this trend.

Chambers of commerce have been helpful to the program. In cities such as Atlanta and Miami, where the chamber has become active, there was increased visibility for the entire program. In the former, the major role played by the chamber helped to establish a positive awareness of the program. In the case of the latter, a lot of publicity was generated when the Ad Club of Miami undertook to provide professional counsel and activity for the program.

4) Communications between National NABS and Metros

The public relations department of the National NAB has an extremely tough assignment since it can prepare material but it cannot force the local NAB office to use it. A promotional booklet, prepared in 1969 and sent to each local office, offers prototypes of material designed to assist the NAB Metros in gaining public exposure. This is a positive step but good execution of its suggestions is still required and it is unfortunately likely that those who were formerly doing little to promote awareness of the program will not make full use of the guidebook. It will, however, be useful to Metros that have been attempting to promote the program on their own.

National NAB produced some effective national publicity during the kickoff of the program. Publicity was not as intensive after this beginning, but that is to be expected. The public relations staff of national NAB has been doing as much as possible within the limitations of their manpower. However, they need additional personnel specifically assigned to help the Metros with public relations activities which would create the awareness of the program, at the very least to recruit local publicity or advertising firms to get involved.

National NAB has no effective way of knowing how public relations is being used in the field unless clippings come in. There is little feedback from NAB Metros except from those that seem to be in a swirl of activity and are anxious to report it.

There is some cooperation with the Advertising Council, a public service agency comprised of professional advertising talent. The Council has prepared materials for the JOBS program which NAB has forwarded to local offices. Again, however, NAB has no control over what happens to these public service announcements, outdoor materials, etc. It appears that, in the early stages, advertising mats, a 60-second television spot announcement, car card advertising, and billboard sheets were sent to Metros. They were used on a hit-or-miss basis, apparently more from lack of expertise in the local NAB office than for any other reason.

As of the end of 1969, new materials were being prepared, including four advertisements for national publications and five new television spot announcements. Unless some method for utilization at the local level can be fostered, these materials will not be properly utilized. Without sufficient national staff to provide assistance to each community individually, which would be impossible, NAB can only hope to offer training and orientation in public relations at regional meetings. As of last October, there was only one Field Public Relations person, one Director of the New Bureau, and one Director of Publications.

#### 5) Press Personnel Attitude

The press personnel felt that they were exposed primarily to superficial materials on NAB: new companies, new appointments, contracts, etc. They expressed a desire to see case histories, to speak to trainees, and to have some in-depth interviews. Usually they have neither the time nor the inclination to consider this a story of such priority that they can take time to dig at it themselves. It has to be brought to them in fairly usable form. The current view among media people was that the jobs offered were menial and not the type that would prove durable or fruitful in the long run.

#### 6) Overall Awareness is Spotty

One of the most disconcerting observations was the almost hit-or-miss awareness of the program on the part of the media. Personnel at one radio station knew nothing at all of the program, while staff at another station knew much more about it. Editors in the same city or even on the same daily newspaper varied widely in their extent of awareness of JOBS.



### C. Effect on Community Tensions

The sample cities illustrate the contrast among JOBS programs and their potential to influence the reduction of community tension. In one city the program was perceived as a major factor in the reduction of civil strife; it was openly supported by the mayor who was working actively with business to find jobs for potential trainees. Publicity by the media has been good and donation of promotional time has been generous. Effective linkages with some civil rights organizations have been secured. Efforts have been made to weed out dead-end jobs and to find solutions to transportation problems. In this city it was apparent that the program had had positive impact in improving relations between the disadvantaged and the business community and in reducing racial tensions. In another city, the critics looked upon the program's association with the mayor as "white establishment control," and "the handout game again." Most of the jobs were considered dead end, offering minimum starting wages. Employers were characterized as having the attitude: "beggars can't be choosy," or "everybody has to start at the bottom."

In many communities, poor communication and the go-it-alone position of the Metro did little to reduce community tensions. In fact, the more militant community leaders considered the program to be a way of paying off businessmen so that the Federal government could continue its War on Poverty programs without opposition. These leaders pointed to the fact that most programs got under way following the disturbances of spring 1968 as evidence that its purpose is to prevent riots and not to solve unemployment problems. Although pledges and hiring had been active and publicized, they contended that when the government feels that things have cooled down, the program would cease.

Leaders of organizations representing blacks and those of Spanish background were concerned about the limited opportunity for upgrading in JOBS while recognizing that this attempt by industry to provide jobs for the hard core was a significant improvement over many existing manpower programs.

Field analysts also found resentment among white community leaders who looked upon the JOBS program as another means to proffer special treatment to blacks. This resentment was also expressed by some white supervisors and foremen who represent attitudes held in the communities in which they live. The reaction of trainees to these attitudes tends to become polarized and is frequently transferred into the community. Some white community leaders suggested that greater efforts should be made to recruit white disadvantaged persons into the program as a means of reducing white hostility.



D. Administration Controls on Economy

Many community leaders have become embittered by the negative effects of the administration's anti-inflation measures and the rising unemployment rate. They pointed to these as clear evidence of lack of commitment to dealing with the problems of hard-core unemployment. Some leaders claimed that raising the hopes of the hard-core by offering them jobs, and then subjecting them to layoffs, has increased the feelings of alienation among them, and is bound eventually to manifest itself in increased community tension. The JOBS program, specifically, has been severely hit by the administration's anti-inflation efforts. Some contractors admitted that they had not hired or placed trainees since October 1969, some had been forced to reduce the work week to 32 hours, while others had cancelled contracts or simply reneged on pledges.

E. Economic Impact

The economic impact of the program is best illustrated by apparent changes in the life styles of trainees. Chapter VII describes in depth the impact of the program upon trainees. A few of the statistics are repeated here.

Most trainees described changes in life styles in terms of more leisure time and a more adequate income with which to meet family expenses. Twenty percent reported that their standard of living had improved immeasurably.

For the 12 months prior to JOBS, 78 percent of the 402 trainees interviewed reported personal income of less than \$3,000. Family income for 66 percent of them for that period was under \$4,000. The average weekly income for trainees at the time of the interview was \$91.00, which would equal \$4,700 per year.

Thirty-eight percent of the respondents had been unemployed six months or longer prior to the JOBS placement.

One significant area of evidence of economic impact is that 15 percent of the trainees interviewed indicated that they had been receiving public assistance prior to the JOBS employment. Only 5 percent of them were still receiving some form of assistance.

F. Social Impact

One of the indices of social impact is the respondents' expression of

improved self-image. Thirty percent of the respondents felt that their own estimation of themselves had improved. For more than 50 percent of the trainees interviewed, the JOBS employment was their "first big job."

Another index of social impact is the general consensus among employers that the JOBS campaign has been instrumental in pointing up the responsibility of the private sector in solving the problems of the unemployed. Some employers admit that, because of the JOBS campaign, job-entry requirements have been relaxed without any appreciable effect upon production output.

From a different dimension, the JOBS campaign, with its slogan of "hire, train, retain," lends immeasurable support to those proponents who have stressed for years the importance of providing a job for every person who wants to work. At a time when work occupies a central place in the lives of people, the JOBS program, with its emphasis upon providing persons with permanent productive jobs, underscores that, without an occupational status, the individual has few other ways of attaining a respected position in the community. This is particularly significant when looked at from the viewpoint that a man's work is not only one of the things by which he is judged but by which he judges himself. The Kerner Report, in its assessment of civil disorders, supports this position:

The capacity to obtain and hold a good job is the traditional test of participation in American society. Steady employment with adequate compensation provides both purchasing power and social status. It develops the capabilities, confidence, and self-esteem an individual needs to be a responsible citizen and provides a basis for stable family life.

#### G. Conclusions

1. There is considerable criticism of the JOBS program by many poverty community persons that are familiar with JOBS. Much of this criticism is a manifestation of hostilities toward a government and business community that they believe have too long been insensitive to poverty community needs. The criticisms focus on the type of jobs offered, the quality of training programs, and more recently, the experience with the susceptibility of trainees to lay-off during an economic downturn.

2. Some of the hostility toward JOBS results from poor communication between the business and poverty communities. The positive effects the JOBS program has produced, and its potential, has not been directly explained to businessmen. The program often gets lumped together with other manpower programs which are considered by many to be unsuccessful.

3. The image of the JOBS program varies among communities and frequently, from group to group within a given SMSA. A significant influence upon the image of the program is the extent to which it has been publicized. For example, in cities where the chamber of commerce had become active, there appeared to be a higher degree of visibility for the entire program. Two examples are Atlanta and Miami. In the former, the major role played by the chamber helped to establish a positive awareness of the program. In the case of the latter, there was additional need for a public relations campaign, which was undertaken when the Ad Club of Miami volunteered to provide professional counsel and activity for the program.

4. It must be acknowledged that the JOBS program potential for greater impact has been severely reduced by the administration's anti-inflation efforts. Many trainees have again experienced the truism of "last hired-first fired." Social impact, in terms of upgrading, improvement of self-esteem, personal confidence, and even good will between the disadvantaged communities and the more affluent society, has been handicapped by the curtailment of hiring among employers who have been affected by the economic slowdown.

#### H. Recommendations

1. The visibility of the JOBS program in the black community must be greatly increased. The preparation of more packaged editorial and feature material for black-oriented media should be a starting point.

2. Efforts must be made in some cities to give the JOBS program the proper image in white communities. Particularly where the program is looked upon as an exclusive resource for blacks, the program should make special efforts to include other disadvantaged groups.

3. If the program is to enjoy support from the indigenous community, then there must be more evidence of success among trainees. Dropouts and terminations must be reduced. A first step may be to find ways of weeding out dead-end jobs which offer little opportunity for the development of long-range skills. Sensitivity programs for front-line supervisors and foremen should also be strengthened.

4. Participation of company officials in community organizations lends great visibility to the program in the target community. These efforts should be encouraged and expanded.

5. It is essential that more effort be made to solicit support from black community leaders.

6. DOL must find ways in which to identify and weed out those employers who abuse the program.

7. There should be an active campaign to recruit volunteer public relations and/or advertising professionals to assist the local NAB Metros.

8. Based on a spot survey of trainees to determine a pattern of reading and listening habits, a program of intensified communications should be aimed at potential trainees, using the media most likely to reach them.

9. A cluster of ethnic organizations should be asked to provide counsel to determine the best possible ways to reach their particular ethnic community with the story of JOBS. For instance, a meeting of such organizations as the NAACP, the Urban League, and even more militant organizations, could be convened for the purpose of determining the best way to reach potential black trainees. In areas where there are other minority groups, such as Spanish-speaking people or Indians, a similar attempt at outreach should be made.

10. A plan should be developed to get the media reinterested in the program in more than just a perfunctory way.



#### IV. IMPACT ON JOB MARKET

##### A. Introduction

The analysis of data on impact on the job market points up certain crucial facts. For example:

1. The NAB-JOBS goal total for the 10 sample SMSAs was 41,400 (including both contract and noncontract employers). MA-subsidized employers had completed approximately 22 percent of the total goal by March 31, 1970. If the noncontractors have less than 80 percent of the projected NAB-JOBS people on their payroll, the goals are not being reached. In relation to total unemployment in the 10 study areas, the contract portion of JOBS had on board only about 4 percent of all those not working. In view of the increasing rate of unemployment in April and May 1970, the impact of the JOBS program on unemployment rates is probably even less today. Finally, even if the goals for each area were to be reached, the impact would still be less than 20 percent of the total unemployment for these areas.

2. The achievement of June 1970 goals in the contract portion of the program cannot be expected in the present economy. In fact, decreased demand for employer products and services is primarily responsible for the decrease in retention rates.

3. Most jobs offered through the JOBS program are dead end and are likely to be vulnerable to technological change.

4. Persons currently attempting to enter the work force through CEP point up the need for more jobs for female heads of households and for youths. The jobs offered are not addressed to this segment of the population.

5. Because there has been no change in the numbers of persons MA employers recruit through gate hires, the self-motivated job seeker is not threatened by the JOBS program. On the contrary, it was frequently found that self-motivated job seekers who qualified were referred to CEP or ES for certification and as a result become JOBS program participants.

To determine the impact of the JOBS program on the job market, an analysis was made of the unemployment picture in each SMSA in the sample, the hard-to-fill jobs; the extent to which jobs provided through JOBS were reflective of these needs; the effect JOBS was having on the unemployment picture; and whether the program was orienting trainees toward the

hard-to-fill positions. The general types of jobs offered to the trainee were analyzed as well as the trainees' suitability to these jobs. Finally, the effect of the program on the non-JOBS unskilled person actively seeking employment was examined.

ES and DOL data and publications revealed that the sample areas contained considerable diversity with regard to unemployment and industry characteristics.

#### B. Universe of Need

According to analyses included in the March 1970 issue of Area Trends in Employment and Unemployment, the DOL publication from which Table 1 was constructed, five of the sample SMSAs are areas of "low unemployment" (Group B), and the other five are areas of "moderate unemployment" (Group C). Though the rate of unemployment is the chief criterion for determining the classification of an SMSA it is not the only one; consideration is also given to seasonal fluctuations, future prospects, and various other factors. Thus, in some instances an area may be assigned a particular unemployment classification even though its rate of unemployment falls outside the range designated for that classification.

Table 1

Work Force and Unemployment in Sample SMSAs, by Number and Percent,  
in January 1969 and January 1970

| Area            | Work Force      |                 | Unemployment    |                 |                 |                 |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                 | Number          |                 | Number          |                 | Percent         |                 |
|                 | (in Thousands)  |                 | (in Thousands)  |                 |                 |                 |
|                 | January<br>1970 | January<br>1969 | January<br>1970 | January<br>1969 | January<br>1970 | January<br>1969 |
| Atlanta (B)     | 685.2           | 655.8           | 14.2            | 12.2            | 2.1             | 1.9             |
| Baltimore (B)   | 896.7           | 872.4           | 29.8            | 26.6            | 3.3             | 3.0             |
| Dayton (B)      | 376.6           | 362.2           | 10.5            | 7.8             | 2.8             | 2.2             |
| Houston (B)     | 875.7           | 822.0           | 15.3            | 17.5            | 1.7             | 2.1             |
| Phoenix (B)     | 391.8           | 363.9           | 12.0            | 11.0            | 3.1             | 3.0             |
| Detroit (C)     | 1,728.7         | 1,710.1         | 83.0            | 53.0            | 4.8             | 3.1             |
| Jersey City (C) | 299.5           | 295.0           | 18.5            | 19.1            | 6.2             | 6.5             |
| Miami (C)       | 614.9           | 585.2           | 19.9            | 17.7            | 3.2             | 3.0             |
| San Diego (C)   | 452.5           | 426.2           | 19.2            | 17.3            | 4.2             | 4.1             |
| Tulsa (C)       | 213.1           | 207.0           | 7.2             | 6.3             | 3.4             | 3.0             |

Atlanta, Baltimore, Dayton, Houston, and Phoenix have been classified as areas of low unemployment in which the unemployed make up, as a general rule, between 1.5 and 2.9 percent of the work force. The rates of unemployment in these cities in January 1969 were all below the national average of 3.5 percent for the year, and remained below the national average in the first month of 1970 when unemployment rose to 3.9 percent. In two SMSAs, however, Baltimore and Phoenix, unemployment rates in January of both years were above the 2.9 percent ceiling for the low employment category. Between January 1969 and January 1970, rates increased in four of the five areas. In Houston, which had the lowest rate of any in the sample (1.7 percent), unemployment decreased during this period.

Detroit, Jersey City, Miami, San Diego, and Tulsa have been classified as areas of moderate unemployment in which unemployment ordinarily comprises between 3 and 5.9 percent of the work force. In January 1969, rates in Jersey City (6.5 percent) and San Diego (4.1 percent) were above the national average of 3.5 percent; and in the former, above the 5.9 percent ceiling for the moderate unemployment category as well. In the first month of 1970, unemployment increased nationally to 3.9 percent and in all but Jersey City of the five Group C areas. Detroit, which experienced the largest increase in unemployment, up 1.7 (from 3.1 to 4.8 percent), San Diego (4.2 percent), and Jersey City (6.2 percent) all had rates above the national average.

The trend overall since January 1969 has been one of increasing unemployment and has been particularly severe during early 1970 as a result of the national slowdown in the economy.

#### 1. Potential Impact

Most studies on unemployment indicate that the highest rate of unemployment is among black youth under 22. Young people are often characterized as victims of "structural unemployment" which means that there is a growing mismatch between the youth labor pool and the manpower needs of employers. More often than not, these young people are consigned to unattractive dead-end jobs. Even the number of dead-end jobs has grown at a far slower pace than the number of job seekers. Black youths have a double handicap as evidenced by the fact that, while the jobless rate among whites rose from 2.9 percent to 3.2 percent between February and August 1969, among blacks it rose from 5.7 percent to 6.5 percent.



The potential impact that the JOBS program might have on youth in the labor market is limited by the nature of the jobs being offered by employers. Aside from being dead-end jobs, most of these jobs are for laborers and maintenance workers and are looked upon by the young as demeaning and unfulfilling. This may explain the high rate of turnover and job-hopping.

The need, as represented by those people who are currently attempting to enter the work force through CEP, is for employment for women who are heads of households. In one SMSA, in April 1970, the CEP-JOB list included 13 JOBS jobs; 12 for males and one for a female. Yet the enrollment at that CEP was about 90 percent female.

On the positive side, the JOBS program has brought these attitudes to the surface, thus helping to define the true dimensions of structural unemployment. In addition, by helping to reduce employer prejudices and discriminatory hiring practices, it has led to the creation of new jobs to match the skill and experience levels of the unemployed labor pool.

The JOBS program in the ten SMSAs has had little impact upon the statistical numbers of unemployed. Any reduction in unemployment has occurred because of factors outside of the JOBS program. For example, a new plant development in one suburban community reduced unemployment, and the JOBS program in both Houston and Tulsa absorbed numerous black males off the streets, but these were youths who had not been counted in the unemployment statistics since they were not in the labor force as defined by the DOL. In Atlanta, the tight labor market (2.7 percent unemployment rate in July 1969) was eased by the entry through JOBS of low-income people into skill-training jobs. Tight labor market conditions have induced many companies to hire the hard-core out of necessity, and JOBS has been a convenient and sometimes profitable method of alleviating certain manpower shortages.

## 2. Description of Jobs Offered

### 1. Analysis by DOT Number

In order to investigate the kinds of jobs that were being pledged through the NAB effort, a procedure was devised using Dictionary of Occupational Title (DOT) code numbers.

Over 19,000 jobs had been pledged in the ten SMSAs being observed as of September 30, 1969. The DOT code numbers of these jobs were studied to determine the level of complexity at which the jobs required the worker to function. This could be done using the fourth, fifth, and sixth DOT code numbers which identify the extent to which a job was involved with data, people, and tools on a scale of 0-8, with eight requiring the least skill.



Each of the DOT code numbers was arranged into a frequency distribution. Table 2 illustrates where on the hierarchy of job complexity the DOT code numbers of the jobs that were offered fell.

Table 2

Frequency of DOT Code Numbers 4, 5, and 6 for  
JOBS Jobs in the Sample SMSAs

| Code Number |         | Total  | Scale |       |       |       |       |       |       |       |        |
|-------------|---------|--------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
|             |         |        | 0     | 1     | 2     | 3     | 4     | 5     | 6     | 7     | 8      |
| 4 (Data)    | Number  | 19,204 | 13    | 1,523 | 1,682 | 2,202 | 164   | 226   | 251   | 2,965 | 10,178 |
|             | Percent | 100.0  | 0     | 7.9   | 8.8   | 11.5  | .9    | 1.2   | 1.3   | 15.4  | 53.0   |
| 5 (People)  | Number  | 19,204 | -     | 3     | 15    | 140   | 53    | 141   | 1,673 | 131   | 17,048 |
|             | Percent | 100.0  | 0     | 0     | .1    | .7    | .3    | .7    | 8.7   | .7    | 88.8   |
| 6 (Tools)   | Number  | 19,204 | 864   | 2,471 | 2,960 | 586   | 3,140 | 1,571 | 230   | 5,192 | 2,190  |
|             | Percent | 100.0  | 4.5   | 12.9  | 15.4  | 3.1   | 16.3  | 8.2   | 1.2   | 27.0  | 11.4   |

Seventy percent of the jobs made available required no significant relationship to data as shown by Code number 4. Twenty-eight of the remaining 30 percent required the worker to coordinate, analyze, or compile data, functions which were higher up on the complexity scale.

With regard to interaction with people, code number 5 indicates that about 17,000 out of the 19,000 jobs offered to trainees involved no significant personal relationships. Most of the remaining jobs required only the ability to speak to or signal fellow workers or customers.

Eleven percent of the jobs had no significant involvement with tools as shown by code number 6, and about 27 percent involved the handling of tools, a relatively simple function. Most of the remaining jobs were more complicated in this regard and required the worker to manipulate, operate, and/or control tools or machinery.

These data indicate that, in the great majority of cases, JOBS trainees enter the program in occupations that place little emphasis on their interaction with either data or people. However, in about 60 percent of the cases, they require them to have some degree of understanding of industrial tools.

## 2. Relationship to Industrial Needs

In most SMSAs the jobs offered were low-level dead-end jobs that had little positive correlation to the skill shortages reported by industries. However, because some industries were not represented among the MA employers the data about the kinds of jobs offered is inconclusive.

In Atlanta, occupations in structural work and machine trades were those most frequently offered by JOBS employers. Specifically, positions for automobile mechanics, loom fixers, automobile body repairmen, packagers, and arc welders--which were listed in a recent manpower survey of Atlanta as being most difficult to fill--were made available under the program in substantial numbers. In addition, several trainee positions were authorized in clerical occupations--a category for which Atlanta reports an abundance of female applicants, most of whom, however, lack adequate skills or experience and need training.

The jobs most frequently offered through the program in Baltimore were those for which there have been chronic shortages of qualified labor. Recent manpower surveys indicate that sheet metal workers, laborers, and skilled machinists are needed by local manufacturers, and that clerical personnel of various kinds--clerk typists, proof-machine operators, key punch operators--are in demand by service industries and banks. These jobs were all offered in significant numbers by the companies participating in the program. JOBS positions were also offered in research and development, another industrial category which reported pressing manpower needs.<sup>1/</sup>

The jobs most frequently offered in Dayton fell in the following occupational categories: machine trades, miscellaneous, clerical and sales, and structural work. Excepting openings for porters and arc welders, there was no discernible relation between the most hard-to-fill jobs in Dayton and those most frequently pledged by the companies in the program. On the other hand, openings were made available for assemblers, material handlers, laborers, and general clerks, occupations which are also hard-to-fill jobs.

The JOBS contract for Detroit shows a high concentration of companies and jobs in manufacturing and conforms to the industrial profile given in Appendix A. The most frequently offered jobs, for which there also existed a local demand, fell in the following DOT occupational categories: mechanical engineering, janitorial, metal machining, transportation equipment assembly, and welding. More specifically, openings for production machine operators (282), arc welders (281) and auto assemblers (2585) appeared in significantly large numbers among JOBS pledges. Other hard-to-fill positions that were pledged in smaller but ample numbers were for draftsmen (88) and micro welders (35). Among those occupations in which

---

<sup>1/</sup> A single research company was responsible for all the positions in this industrial category--100 authorized positions for draftsmen. Because of the company's failure to meet its JOBS commitments and responsibilities, its contract was recently revoked.

rates of unfilled positions were highest--either because employers reported no demand or because applicants lacked adequate skills or experience--all of the following positions were pledged in numbers greater than fifty: general clerks, telephone operators (Michigan Bell Telephone pledged 90), sales clerks, porters, punch press operators, assemblers, industrial truck operators, hand and machine packagers, stock handlers, and material handlers.

Among those occupations listed as most difficult to fill in Houston, the following are those which were most frequently pledged through JOBS: carpenters and related occupations (225), shipmates (100, all of which were made available by a fishing association), heavy and light truck drivers (119), occupations in moving and storing materials (79), and building maintenance (34). It should be noted that the program did little to alleviate the chronic problem of female unemployment.

In Jersey City, JOBS pledges were made in the greatest numbers in the following occupational categories: assembly, installation, and repair of large household appliances and similar commercial and industrial equipment (166); packaging and material handling occupations (69); and processing, chemicals and related products (33). Little correlation can be found between authorized JOBS positions and those jobs most difficult to fill in the SMSA. Jobs offered through the program did, however, tend to be those which are most susceptible to frequent layoffs.

The most frequently pledged JOBS jobs coincided with the manpower needs of Miami's industries in the following occupational categories: truck drivers, light and heavy (33); stenography, typing, filing and related work (25); and materials moving and storing (77).

In Phoenix, the only authorized positions for which local industry reported manpower shortages were for clerical personnel and electronics assemblers. The latter were made available by a manufacturing company that employs handicapped persons to assemble electronic products and mechanical devices for other manufacturers.

A comparison of San Diego's most pressing manpower shortages with the jobs most frequently pledged through the program indicates some correlation in at least three DOT occupational categories: motorized vehicles and engineering equipment repairing (273); assembly and repair of electronic components and accessories (131); and transportation equipment assembling and related work (125); a small number of JOBS openings scattered among clerical and sales occupations.

In Tulsa with the exception of 35 positions for sewing machine operators and 13 for welders, there is little correlation between those occupations for which local shortages were reported and those in which JOBS positions were pledged. Nor can it be determined whether the program is providing openings in those occupational categories that experience chronically high rates of vacancies. It is of some significance, however, that all but one of the industries participating in the program were expanding.

Insufficient information makes it impossible to judge whether the applicants that the JOBS program is servicing have been unsuccessful in obtaining employment either because they lack the necessary skills or experience, or because of labor surpluses.

#### D. Suitability of Trainees to Jobs

The impact on trainees was analyzed in terms of the extent to which the trainees were suited to the jobs offered to determine whether the work force would be capable of adjusting satisfactorily to these work assignments. Trainees were questioned about their former work experience and were asked to state their perceptions of the job in which they had been placed, and local Metros and employment agencies were asked about the process used in matching trainees to jobs.

As might be expected, many respondents (60 percent of the males) had been employed as laborers. Many reported having worked as operatives either of industrial machinery or vehicles. Background in either of these fields would qualify them for most of the JOBS jobs. Interestingly, however, as shown in Table 3, 64 percent of the respondents indicated experience in areas not offered to any great extent through the program.

Table 3

Types of Jobs Held by Trainees Prior to JOBS Employment  
In Occupations Infrequently Pledged

| <u>Types of Jobs Held</u>                    | <u>Percent</u> |
|----------------------------------------------|----------------|
| Total                                        | 64             |
| Professional and technical                   | 3              |
| Managers, officials, proprietors, or foremen | 2              |
| Clerical                                     | 10             |
| Sales                                        | 3              |
| Craftsmen                                    | 8              |
| Service                                      | 38             |



Table 3 indicates a high proportion of trainees reporting previous work experience in clerical, service, or sales positions. Thirteen percent (mainly Cuban refugees in Miami) reported background as managers, craftsmen, or professionals. However, the JOBS program has been able to offer few opportunities in such positions. It would appear that more emphasis should be placed on inducing sales, service, and trade companies to join the NAB effort. Additional jobs could be made available, if the manufacturing industries that are already involved in JOBS would make more clerical and sales positions available to JOBS trainees.

The procedure for matching trainees to JOBS jobs was very limited, largely due to the lack of diversity in the employment available. A comprehensive matching process serves little purpose when the great majority of jobs offered require low skill levels and are uncomplex. Individual skill and experience makes little difference when the jobs offered involve only the simplest tasks.

Matching that did occur took place at three levels. Job Banks, where they existed, emphasized evaluating an applicant's skills. This was done either by computer or by a hand tabulating system, depending on the SMSA, prior to his referral to an employer. ES job developers also attempted to find suitable employment for JOBS trainees. However, they tended to place a higher priority on getting jobs than on finding the right job. Too often the right job did not exist through the JOBS program. The third manner in which job suitability was determined was through the use of aptitude and general interest tests which were sometimes given at the ES and CEP offices. However, in many cases, even when trainees were tested, the results were not used either because of a lack of relevant employment opportunities or lack of a mechanism to match trainees and jobs according to test results.

By examining trainee reactions to their employment, the study staff felt they could make a further determination concerning job suitability. Many trainees had positive perceptions concerning their jobs. Most, however, related these perceptions to the economic opportunities the job provided. Few respondents mentioned the nature of the job itself as a salient positive factor. On the other hand, few trainees spoke of the nature of their work in negative terms. They reacted more to the economic, upgrading, and security provisions afforded by the job than to whether it suited their skills or work experience.

#### E. Impact on Non-JOBS Persons

The employers interviewed reported no change in the number of persons recruited through gate hiring as a result of the program. This was significant because the self-motivated job seeker is usually hired at the gate.

Even where increased use was made of the CEP or ES, gate hiring was unchanged. Many self-motivated persons applying on their own initiative, were referred by employers to the CEP or ES for certification as NAB trainees. Thus, the self-motivated persons frequently found that, rather than competing with JOBS persons, they were participants in the JOBS program.

The effect on present employees of an employer's entry into the program was found to be very small. Although a majority of the employers said that some of their trainees had been upgraded to more responsible tasks, few indicated it had been done at the expense of regular employees. In the unionized plants, trainees could not be upgraded faster than the seniority system allowed.

Although study data indicated clearly that JOBS had not impaired employment opportunities for non-JOBS persons, interviews with labor union representatives indicated that many union members considered the program a potential threat. It was reported to field analysts by both employers and training company personnel that a tacit understanding often existed among union members to urge limited involvement with the JOBS effort. For example, a group of employers in one SMSA expressed considerable frustration because the HRDI would not install the Buddy program in their companies.

#### F. Statistical Impact of JOBS Program on Unemployment

To investigate the effect of the NAB effort on unemployment, a variety of statistical indicators were used. These included goal figures established by national NAB for each sample area, and total hires, on boards, terminees, etc. To have uniform information, invoice printouts and other data were procured centrally from the MA. This was done in spite of the knowledge that information maintained at the national level might not reflect local conditions because of late, incomplete, and inaccurate reporting.<sup>2/</sup> Nevertheless, attempts to obtain correct information locally generally proved fruitless. Each of the Metros had different reporting systems and many of these were not up to date nor accurate.

---

<sup>2/</sup> A striking example of this is the situation in Detroit where DOL information indicated that over 10,000 authorized slots existed March 31, 1970 although Metro personnel, after calling all MA employers in the SMSA, determined that authorized positions for the Detroit SMSA were actually less than 6,000. The disparity occurred mainly because several companies, including Chrysler Corporation, had canceled their contracts but this information was not reflected in DOL invoice printouts.

The "goal" represents the number of persons expected to be employed as a result of the JOBS program by June 30, 1970. This includes persons still receiving training and those who had completed the program. Completion is defined as six consecutive months of employment with the JOBS employer. Goal figures for each SMSA are determined by NAB personnel and include persons hired by both contract and noncontract employers. However, as indicated before, this study deals only with persons hired by MA contractors.

Table 4 following shows the statistical impact of the contract program on unemployment in the sample areas.

Table 4  
Relationship of On Boards to Unemployment  
by Sample SMSA (Contract Employers Only)

| SMSA        | Unemployment <sup>a/</sup> | On Boards<br>3/31/70 <sup>b/</sup> | Percent of On Boards<br>to Unemployment |
|-------------|----------------------------|------------------------------------|-----------------------------------------|
| Total       | 229,600                    | 9,049                              | 3.94                                    |
| Atlanta     | 14,200                     | 758                                | 5.33                                    |
| Baltimore   | 29,800                     | 964                                | 3.23                                    |
| Dayton      | 10,500                     | 506                                | 4.81                                    |
| Detroit     | 83,000                     | 3,991                              | 4.80                                    |
| Houston     | 15,300                     | 966                                | 6.31                                    |
| Jersey City | 18,500                     | 163                                | .88                                     |
| Miami       | 19,900                     | 424                                | 2.13                                    |
| Phoenix     | 12,000                     | 369                                | 3.07                                    |
| San Diego   | 19,200                     | 692                                | 3.60                                    |
| Tulsa       | 7,200                      | 216                                | 3.00                                    |

<sup>a/</sup> U.S. Department of Labor, Manpower Administration, Area Trends in Employment and Unemployment, " March 1970

<sup>b/</sup> On board figures include persons who have completed the program.

The goal total for the ten sample areas was 41,400. The major contributor to this figure was Detroit which was expected to have 12,000 people on board by June 30, 1970. Baltimore and Atlanta followed with 6,000 and 5,400, respectively. Dayton's goal was the smallest with 1,200 expected to be on board by the target date.

Table 5 shows the relationship between the pledge goals in each SMSA and the extent to which these goals were met by September 1969 and March 1970

Table 5

Pledge Goals Compared With Performance by Sample SMSA (Contract Employers Only)

| SMSA        | Goals<br>6/30/70 | Author-<br>ized Slots | 9/30/69 |          | Retention<br>Rate<br>(Percents) | Author-<br>ized Slots | 3/31/70 |          |           | Retention<br>Rate<br>(Percents) |
|-------------|------------------|-----------------------|---------|----------|---------------------------------|-----------------------|---------|----------|-----------|---------------------------------|
|             |                  |                       | Hired   | On Board |                                 |                       | Hired   | On Board | Terminees |                                 |
| Total       | 41,400           | 18,669                | 15,113  | 7,093    | 8,020                           | 23,080                | 24,567  | 9,049    | 15,518    | 37                              |
| Atlanta     | 5,400            | 995                   | 918     | 317      | 601                             | 1,592                 | 2,317   | 758      | 1,559     | 33                              |
| Baltimore   | 6,000            | 2,148                 | 1,577   | 740      | 837                             | 2,670                 | 2,176   | 964      | 1,212     | 44                              |
| Dayton      | 1,200            | 886                   | 673     | 399      | 274                             | 786                   | 929     | 506      | 423       | 54                              |
| Detroit     | 12,000           | 9,014                 | 7,761   | 3,332    | 4,429                           | 10,623                | 12,501  | 3,991    | 8,510     | 32                              |
| Houston     | 4,200            | 1,103                 | 1,487   | 721      | 766                             | 1,685                 | 2,102   | 966      | 1,136     | 46                              |
| Jersey City | 2,400            | 528                   | 378     | 143      | 235                             | 979                   | 645     | 163      | 482       | 25                              |
| Miami       | 2,700            | 1,416                 | 641     | 400      | 241                             | 1,232                 | 1,171   | 424      | 747       | 36                              |
| Phoenix     | 3,000            | 573                   | 456     | 317      | 139                             | 1,101                 | 830     | 369      | 461       | 44                              |
| San Diego   | 3,000            | 1,233                 | 892     | 552      | 340                             | 1,652                 | 1,370   | 692      | 678       | 51                              |
| Tulsa       | 1,500            | 773                   | 330     | 172      | 158                             | 760                   | 526     | 216      | 310       | 41                              |

<sup>a/</sup> The on-board figures for 3/31/70 include persons who had completed the program.



Contracting employers had completed about 22 percent of the total goal by March 31, 1970. This percentage was obtained by dividing on boards by the goal. The SMSA with the greatest success in achieving its goal through MA contractors was Dayton with 42 percent and the SMSA with the poorest record was Jersey City, as shown in Table 6.

Table 6  
Contract Employers' Contribution to Achievement  
of Goals, by Sample SMSA

| SMSA        | Goal for<br>6/30/70 | On Board<br>3/31/70 | Percent of Goal<br>On Board |
|-------------|---------------------|---------------------|-----------------------------|
| Total       | 41,400              | 9,049               | 22                          |
| Atlanta     | 5,400               | 758                 | 14                          |
| Baltimore   | 6,000               | 964                 | 16                          |
| Dayton      | 1,200               | 506                 | 42                          |
| Detroit     | 12,000              | 3,991               | 33                          |
| Houston     | 4,200               | 966                 | 23                          |
| Jersey City | 2,400               | 163                 | 7                           |
| Miami       | 2,700               | 424                 | 16                          |
| Phoenix     | 3,000               | 369                 | 12                          |
| San Diego   | 3,000               | 692                 | 23                          |
| Tulsa       | 1,500               | 216                 | 14                          |

The JOBS program has achieved its goals only if noncontractors in those SMSAs have four times as many trainees on board as the contract employers have. If noncontractors have less than 80 percent of the total JOBS people on their payrolls, the goals are not being reached.

Thus, the contract portion of JOBS has not substantially altered unemployment in the areas studied. Persons on board represent only about 4 percent of all those not working. In view of the increasing rate of unemployment that has occurred in April and May 1970, the impact of JOBS on unemployment rates must be even less today.

Were the goals for each area to be reached, impact would still be less than 20 percent of total unemployment as shown in Table 7.

Table 7  
Comparison of Unemployment With Goals,  
by Sample SMSA

| SMSA        | Unemployment <sup>a/</sup> | Goal for<br>6/30/70 | Percent of Goal<br>Unemployed |
|-------------|----------------------------|---------------------|-------------------------------|
| Total       | 229,600                    | 41,400              | 18                            |
| Atlanta     | 14,200                     | 5,400               | 38                            |
| Baltimore   | 29,800                     | 6,000               | 20                            |
| Dayton      | 10,500                     | 1,200               | 11                            |
| Detroit     | 83,000                     | 12,000              | 14                            |
| Houston     | 15,300                     | 4,200               | 27                            |
| Jersey City | 18,500                     | 2,400               | 13                            |
| Miami       | 19,900                     | 2,700               | 14                            |
| Phoenix     | 12,000                     | 3,000               | 25                            |
| San Diego   | 19,200                     | 3,000               | 16                            |
| Tulsa       | 7,200                      | 1,500               | 21                            |

<sup>a/</sup> U.S. Department of Labor, Manpower Administration, Area Trends in Employment and Unemployment, March 1970.

The probability of achieving the June 1970 goals through the contract portion of JOBS is slight. The probability is small that the figure of 9,049 trainees on board as of March 31, 1970 will substantially increase by the end of June. From September 1969 to March 1970 the increase was only about 2,000 persons or 333 per month, a rate which cannot be expected to rise in the present economy. In spite of increased hires over the six-month period, economic conditions are also primarily responsible for the fact that the number of new on boards is greatly exceeded by the number of new terminees.

Repeated evidence shows that JOBS trainees are most likely to be laid off in the face of decreased demand for the employer's product or services.

A DOL news release of April 29, 1970 indicated decreased demand for factory labor during the early part of this year. This was ominous news for JOBS since the program has been dependent on manufacturing industries as the major source of entry-level job openings. The news release stated, "The demand for factory labor continued to weaken in March..." and went on to say that new hires and recalls were down during that month and that total accessions (hires, recalls, and transfers), "were at their lowest level

since January 1965." The same release added that "Manufacturing layoffs, at 18 per 1,000 workers in March, seasonally adjusted, continued the upward drift that began in the spring of last year, when the rate averaged 11 per 1,000."<sup>3/</sup>

Recent articles in newspapers underscore the effects of recent economic trends on JOBS. One article indicates, "JOBS... is a victim of the current economic slowdown and over optimism by its sponsors." It further quotes a U.S. Senate subcommittee study as saying, "JOBS is highly vulnerable to an economic recession..."<sup>4/</sup> Another major newspaper states that Senator Gaylord Nelson, concerned about the effect of increased unemployment on the program, had noted "some companies participating in the program, including the Chrysler Corporation, have begun canceling or reducing their participation because of unemployment problems."<sup>5/</sup>

Since contracting companies are apparently unable to achieve the projected goals, only through noncontractors could the program meet with success. However, it seems safe to assume that trainees in such firms will be even more vulnerable to layoff than those in firms being reimbursed for their participation.

#### G. Recommendations

1. There should be a reevaluation of the JOBS guidelines in terms of the kinds of jobs that are acceptable through the contract portion of the JOBS program. This reexamination should consider jobs for women heads of households; jobs leading to the acquisition of marketable skills which will not soon be eliminated by technological changes and will thus be more acceptable to minority youth; and jobs which provide an opportunity for meaningful upgrading in wages, skill level, or level of responsibility.

2. Unless the kinds of jobs offered provide stability of employment and are meaningful in terms of attaining marketable skills, serious consideration should be given use of the private business sector to provide job training. This recommendation is made with the consideration for the role of unions and of fluctuations in the economy in determining the ability of the private business sector to carry out the goals of the JOBS program. This, of course, could mean that government subsidy of contract employers would need to be greatly increased to enable them to retain both JOBS trainees and regular employees during a period of economic downturn.

---

<sup>3/</sup> U. S. Department of Labor, "Factory Labor Turnover: March 1970,"

<sup>4/</sup> April 29, 1970  
Murray Sugar, Chicago Sun Times, "JOBS Program Becomes Victim of Cutbacks," May 4, 1970, p. 68.

<sup>5/</sup> Paul Delaney, New York Times, "Job Training Policy Question in Light of Unemployment Rise," March 25, 1970

3. To be effective in meeting its goals of providing jobs to approximately 20 percent of the unemployed, based on March 31, 1970 figures, through both the noncontract and the contract programs, greater emphasis should be placed on getting more employers into the contract portion of the program. This can only succeed if the DOL and NAB provide the necessary technical assistance in training and monitoring to eliminate many of the program weaknesses cited in this report. Some corrective action is already under way by both organizations.



## V. RELATIONS WITH MANPOWER AGENCIES AND OTHER COMMUNITY ORGANIZATIONS

### A. Introduction

To evaluate the impact of the JOBS program upon manpower agencies and institutions it was necessary to assess:

- ... the degree to which the JOBS program had been successful in developing linkages and securing the cooperation of manpower agencies and institutions in order to achieve its goals; and
- ... the degree to which techniques and strategies developed to implement the JOBS program, as well as experiences gained from it, have influenced changes in staff, policies, attitudes, and operational practices of these agencies and institutions.

It was found that the most significant impact of the JOBS program upon manpower organizations was that it had reinforced the notion that disadvantaged youth can be reached, recruited, counseled, trained, and employed with a great deal of success when adequate resources, attitudes, and methods are marshalled and applied. Experience with the JOBS program reinforces other findings which indicate that providing comprehensive supportive services in programs for the disadvantaged is both feasible and necessary. In addition, the JOBS program has added significant support to the idea that job development activities among manpower agencies must be coordinated and refined. Also, the program has helped to dramatize that employers need assistance in restructuring jobs for the disadvantaged.

### B. Public Manpower Agencies

The role relationship between the JOBS program and other federally funded manpower programs was clearly defined by DOL and the respective funding agencies. Principal responsibility for recruitment of the hard-core unemployed for JOBS was assigned to the local CEP and ES which were also given the responsibility for certifying those eligible for participation. In cities where skill centers exist, JOBS contractors were expected to investigate the possibility of using the centers to provide job-related education, and to use the supportive services of CEP and ES, the outreach services from local CAAs, and the Out-of-School Neighborhood Youth Corps where feasible. Two areas in which all federally funded manpower agencies were expected to offer services to JOBS were recruitment and job development.

To assess the extent to which these mandates were carried out and the impact of JOBS on other community manpower agencies, a total of 119 interviews were conducted among persons affiliated with public manpower agencies. This included organizations which were not federally funded but had manpower training components.

1. Concentrated Employment Program (CEP)

All of the cities studied except San Diego had CEP programs. A total of 23 interviews were conducted with CEP personnel in the nine cities. CEP activities consisted largely of providing outreach, counseling, placement, and follow-up. Responsibility for certification of eligibility for the JOBS program was shared with the ES in seven of the nine cities. In Dayton, and Phoenix, the ES was solely responsible.

In five cities, CEP provided basic remedial education, literacy training, and motivational courses. In other cities, educational and supportive services were provided by private training companies under a subcontract with employers. In all nine cities, CEP had persons who worked at least part time on recruiting and placement for the JOBS program, and in Detroit, two CEP staff members were assigned to the JOBS effort on a full-time basis.

San Diego does not have a CEP nor a federally financed skill center. The HRD operates a multiservice center. However, this center does not have an established education and training program. The Adult Division of the San Diego City Schools now operates a vocational school which apparently has a sufficiently flexible program so that many of the manpower agencies use it for prevocational training, basic, and job-related education.

Because there was no CEP, the San Diego Mayor's Committee for JOBS, Inc., was organized to administer OJT and Manpower Development. The OJT office, now operating on a MDTA contract for 525 slots, expires November 1970. Trainees must be certified by ES. These programs are not coupled and therefore no prevocational training is designated; however, it acts as a placing agency for some multiservice center trainees and also some WIN trainees.

The image of the JOBS program varied among CEP personnel. CEPs which played significant roles in the operation of the JOBS program generally looked more favorably on the program than those with weak linkages. CEPs which had been in operation at the time that the JOBS program was instituted in a particular city found that many of their operating practices and

even their organizational structure had to be changed in order to accommodate the JOBS program. Where the CEP program had been established after the JOBS program began, CEP was more likely to have been organized to conform to the service needs of the JOBS program.

## 2. Employment Services (ES)

In all 10 cities, personnel from the ES were actively involved in the JOBS program and each Metro staff included at least one person on loan from ES. Generally, the ES person was the manager of recruiting, known as the "man-man." His job involved establishing liaison with community groups who were likely to refer trainees for employment. He was also expected to coordinate all job development activities. For example, in one city, 28 agencies had job development components. The man-man was expected to maintain liaison with other Metro staff so that he could keep apprised of job openings which he could pass along to community agencies. They, in turn, could refer prospects to the employers.

The man-man was also expected to provide at least technical assistance to employers making contractual arrangements with the DOL. In some instances, this involved the actual writing of the MA contract.

In Tulsa, the ES representative was the only full-time person on the local Metro staff. In all cities, local Metro personnel looked upon the ES man-man as the hub of the JOBS operation.

With the introduction of the JOBS '70 program, a Contract Service Representative (CSR) will be attached to each NAB Metro office to assist employers in preparing and negotiating MA contracts. In most cities, the CSR was also an ES staff member deployed on special assignment.

Participation of ES staff at other levels of the JOBS operation varied considerably. In many cases, ES officials regarded JOBS staff, particularly those concerned with providing supportive services, as interlopers trying to perform tasks which ES considered to be within its own operation. This accusation was also directed against private companies which included recruiting in their support services contract with MA employers. ES felt that, if its own operation were adequately funded, it could provide better services to employers than most of the subcontractors. In some cases the criticism was justified. For example, one subcontractor was forced to curtail recruiting services to MA employers because his practices had created tensions with other manpower and community organizations. Recruiting services in two other SMSAs were affected by similar difficulties.



Although ES personnel were mandated to cooperate with these groups, the quality and quantity of service varied depending upon the extent to which subcontractors and JOBS personnel were able to develop close, respectful, interpersonal relationships with the local ES staff.

In some cases, local ES officials had to restructure their operations and staff to facilitate the local JOBS program. The formation and operation of the Job Bank by the ES in Baltimore was greatly influenced by its commitment to help launch a successful JOBS campaign. This ES Job Bank is central to JOBS recruitment and CJT placement efforts in Baltimore. Dayton has a Job Control Center which functions like the Baltimore Job Bank, and Miami and Jersey City use similar mechanisms.

In San Diego, the ES has created a service center which operates like a typical Human Resources Development (HRD) multiservice center. Since San Diego does not have a CEP, service center staff members who are job agents offer clients all the services which, under CEP, would be performed by a coach, a counselor, and a job developer. Thus, the job agent becomes the caseworker-advocate of the client.

In all cities except Baltimore, ES personnel were responsible for converting job pledges into job orders. In Baltimore this was done by the employee relations staff of CEP. This task often involved reselling the JOBS program to the employers who sometimes complained that they had been given a "fast sales pitch" by the Metro solicitation team and that they really did not know what they were getting themselves into. In a few cases, after the objectives of the JOBS program had been thoroughly explained to them, employers requested that pledges be cancelled. In others, they simply did not honor their pledges.

The active participation of ES in the conversion of NAB pledges into job orders, and the subsequent referral of trainees to employers, led several ES persons to express their conviction that job development techniques must become more client oriented. They suggested that the traditional approach of matching the individual with the job only meets the needs of employers and often results in placing trainees in jobs which they consider meaningless and dead end. The ES staff argued that the high turnover rates among trainees in such jobs is clear testimony that the hard-core unemployed will not accept dead-end jobs that pay little and promise no advancement and training. ES personnel suggested that the preponderance of women among the disadvantaged unemployed dramatizes the need for restructuring jobs formerly held by men so that they can be performed by women and that disadvantaged persons entering the labor market in large numbers point up the need to redesign job tasks into smaller, simpler operations.



### 3. Community Action Agencies (CAAs)

About 42 CAAs and delegate agencies were visited during the study. Most had either a formal or an informal working relationship with the JOBS program. Generally, they referred trainees to MA employers for jobs or received requests from employers for some form of supportive service or assistance. While CAAs were generally represented on the local NAB Metro Business and Industry Advisory Board, most CAA officials felt that the committee met too infrequently to be useful. Almost all CAA personnel interviewed felt that linkages among NAB employers, the JOBS program, and CAA officials should be improved as a first step toward enhancing the generally poor image which the JOBS program has among the disadvantaged.

Few respondents felt that the JOBS program had had any impact upon their own agency's operational practices or organizational structure since CAP had originally been designed to serve the same target population. However, some CAAs complained that they had had to give up some of their own manpower programs since the JOBS program had come into being. In one city, where the chairman of the CAA Board was also the chairman of the Metro Industry Advisory Committee, the JOBS program had replaced the OJT manpower component of the CAA.

### C. Other Programs With Manpower Components

#### 1. Schools and Local Vocational Education Agencies

Officials of the public or vocational school boards were contacted in eight cities. In Baltimore the public school system only subcontracted with CEP to provide adult basic education. In other cities the local school board was the MDTA sponsor, provided educational and supportive services to WIN and other programs, and cooperated with the JOBS program in outreach, job development, and job placement.

Although school officials were represented on the local CAMPS in these cities, only in Dayton and Baltimore were school officials represented on either the Business and Industry Advisory Committee or the Inter-Agency Resource Committee. In the other six cities in which school officials were interviewed, they did not actively participate on Metro committees, although whether this was intentional could not be ascertained.

#### 2. OIC, MDTA Skill Centers, and Other Programs

In five of the SMSAs, Opportunities Industrialization Centers (OICs) conducted skill training programs which provided services to MA employers. In addition

to outreach, counseling, and coaching services provided to individual employers on a voluntary basis, OIC also provided sensitivity training to some industries under a subcontract.

Ten MDTA programs and skill centers were visited in nine cities. Respondents from these centers indicated that there was no communication nor liaison between their programs and JOBS. In each case, although the official interviewed expressed willingness to provide services to the local JOBS program if requested, not one had volunteered his services nor had been asked to provide any services. One explanation for the absence of linkage between the two programs may be the apparent difference in philosophy. Several skill center officials had serious reservations about the efficacy of short-term training programs. Most felt that such unstructured, six- to eight-week OJT programs could not provide trainees from the hard-core unemployed population with a sound foundation upon which to build marketable skills. They argued that the trainee needs better formal instruction and more individual attention before facing the realities of working in a production situation. Only one skill center trainee was known to have been referred to the JOBS program for placement. Most center personnel reported that they had developed their own placement sources.

Among other programs, local urban leagues and their affiliates had developed the most cooperative relationships with employers. One employer used the local urban league exclusively to fill JOBS slots. In Dayton, Jersey City, Baltimore, Atlanta, and Phoenix, the urban league is represented on one of NAB's two advisory committees.

Many of the Urban League officials who had developed cooperative relationships between their programs and JOBS felt that the JOBS program had certain shortcomings such as the low pay and dead-end quality of many of the jobs offered. They also mentioned the unrealistic job-entry requirements still maintained by a large number of JOBS employers but most felt that one impact of the JOBS program had been to reduce this problem. Despite its limitations, League officials expressed the belief that the JOBS program has contributed significantly to opening up new job opportunities for minorities.

### 3. Cooperative Area Manpower Planning Systems (CAMPS)

In five of the SMSAs studied, viable CAMPS organizations existed. In Baltimore, CAMPS was particularly active in helping the JOBS program solve the problem of transporting inner-city trainees to outlying areas.

Most CAMPS also attempted to provide leadership in preventing employers from being deluged with requests from job developers by encouraging the use of job banks or similar mechanisms.

In several cities, Metro staffs were satisfied to allow CAMPS to serve in the role of the Business and Industry Advisory or Inter-Agency Resources Committee. In most instances, however, in spite of the fact that coordinating JOBS with other manpower programs was a concern of CAMPS, the CAMPS committee met too infrequently to be of significant service.

In one city, CAMPS personnel reported that their efforts to coordinate manpower programs in the SMSA were handicapped by their inability to obtain basic information about the extent to which companies proposed to provide transportation assistance. In fact, there was no formal mechanism by which CAMPS was informed about companies in the SMSA which had been awarded contracts. They usually learned of new contracts through the media in spite of the fact that the mayor, who serves as JOBS cochairman and the CAMPS chairman, had forwarded separate letters to the Regional Manpower Administrator requesting his assistance in obtaining this information. Such problems reinforce the negative image of the JOBS program held by some manpower organizations.

#### 4. Health and Welfare Agencies

Linkages between the JOBS program and health and welfare agencies were developed for the most part on the basis of relationships established between individual MA employers and agencies. Those Metro's that had industry advisory committees usually included a representative of the local health and welfare council on the committee.

Some employers in each SMSA had developed agreements with social welfare and health agencies to provide JOBS trainees with such support services as medical and dental examinations and low-cost corrective services. Employers offering these services discovered that they had seriously underestimated trainees' needs for such corrective medical and dental care as glasses, filling teeth, partial dentures, etc., and some had to seek assistance from voluntary welfare organizations because budgets for these services were quickly depleted.

#### D. Employer Organizations and Consultants

Representatives of 28 employer organizations and training companies that were serving as consortia sponsors or supportive service subcontractors in the 10 SMSAs were interviewed. Four of the six chamber of commerce representatives interviewed reported some difficulties in launching their programs partly because of the nature of the program and partly because the JOBS program represented their first real involvement with disadvantaged persons.



Managers of three of the consortia said they had underestimated the degree of attention and time required to select proper staff, put together a meaningful educational and support package, and gain sufficient experience to understand the life styles and sociocultural factors from which disadvantaged and minority people derive their aspirations. Because of these delays, the time between the date of the DOL contract award and the date on which training began ranged from three to five months. This was unfortunate since, when the news media reported that a NAB contract had been awarded, JOBS applicants would come to the training facilities and had to be told to come back because the program was not ready to receive applicants. These disappointed applicants discussed their experience in their communities and the community "grapevines" often branded the program as "phoney." In one SMSA, where Metro staff recognized that the program had never quite recovered from the credibility gap created as a result of start-up problems, recruitment of the hard core continued to be severely hampered.

Another problem was the NAB laissez-faire attitude which encouraged sponsors "to get along" without consultation with other manpower and community agencies. Many agency officials resented the fact that they were not contacted by any one connected with the JOBS program until there were problems.

Chambers of commerce most often subcontracted with private training companies to provide educational and supportive services. Because of unproductive recruiting efforts and high drop out rates, one training company was required to revamp its entire program. Other training companies encountered serious financial losses because of drop outs prior to OJT and were unable to deliver all the services for which they had contracted. As a result, many dissatisfied employers dropped out of consortia, and supportive services to trainees were reduced.

Some training companies that were subcontractors for individual MA employers experienced similar kinds of problems, while others were reported to be providing superior services which resulted in higher retention of trainees. Training companies usually used programmed materials such as those from MIND, Inc., Sullivan Associates, and the Board of Fundamental Education as the core of their job-related basic education course. Slightly under 10 percent of the employers who did not subcontract for supportive services hired educational specialists and university personnel to develop job-related basic education courses specifically geared to their industry.



One of the weakest components in the support packages offered by employers or consultants was the coaching function. As described to the field analysts by employers, coaching ranged from formal supervision by the foreman or middle-management personnel to informal relationships between regular employees and trainees. One of the most serious defects in the coaching provided was that it generally ceased once the trainee was placed in OJT.

MA employers and training company representatives were deeply troubled by the increasing numbers of unemployed persons who moved from one training program to another in order to receive the training stipend but who had no apparent intentions of completing any program or of securing gainful employment.

#### E. Labor Unions

Union participation in the JOBS program was reviewed both from the level of national union leadership and of rank-and-file participation.

##### 1. National Leadership Participation

Following the formation of NAB, the AFL-CIO Department of Urban Affairs created the Human Resources Development Institute (HRDI) to establish effective relationships with local manpower agencies and manpower-related community leadership, and to establish effective working relationships with the NAB Metro offices and their cooperating firms. HRDI contracted with the MA to perform certain manpower activities. HRDI area manpower representatives were established in most of the 50 SMSAs in which the JOBS program was operating, including eight of those in the sample. These HRDI representatives, who were the labor liaison to the Metro office in each of the eight SMSAs, were interviewed as a part of this study. One of the major tasks assigned to the HRDI representative was to help union leaders to make available to hard-core trainees special supportive services and to develop Buddy programs in local plants in cooperation with the JOBS program. The idea of the Buddy System, which was established as a cooperative venture between HRDI and NAB, is to pair an established worker with a newly hired employee in order to help the latter to adjust to the work and to his fellow workers. By March 31, 1970, 46 cities had conducted Buddy training programs in which more than 650 union members had been trained to be Buddies. Among the 90 companies surveyed for this study, only one had utilized the HRDI-NAB Buddy System.

## 2. Rank-and-File Participation

NAB Metro officials and employers generally expressed disappointment with their relative lack of success in securing union cooperation and participation in their efforts. In one city the managing editor of a newspaper volunteered that it was common knowledge that the local union hierarchy had tacitly agreed not to endorse the JOBS program openly. A local union official of that city admitted in an interview that such an attitude did pervade the membership. In some shops, where the JOBS program had hired hard-core persons, union members attempted to discredit the program.

The following excerpt from a report on the follow-up in the plant of a JOBS contractor who had instituted the Buddy System (not among those surveyed in the study), illustrates the point:

The program has aroused a good measure of opposition among the rank and file partly directed against the new employees coming in, and partly against the Buddies. There is some tension and animosity. Even some older black employees are opposed to the program and, in fact, are taking bets that it will fail. Some of the blame for the opposition must be put on the misleading publicity which led the older workers to believe that the new employees would get more money than they were receiving. More serious perhaps, the older workers complain that they don't have the same opportunities that the new employees have, e.g., they have never been shown around the plant to find the most suitable place for them to work, and some of them have never been out of their own department. Also, a rumor was going around that prisoners would constitute the bulk of the new employees coming in. Finally, some of the older employees, including an ex-president of the union, accused the Buddies of being tools of management and suspected them of making more money.

The union is well aware of these resentments which were expressed in the union meeting, and will now have orientation meetings for older employees.

### F. Summary

Institutional change generated by the JOBS program was difficult to measure since this kind of analysis lends itself more appropriately to some form of longitudinal assessment, and the JOBS program, in operation less than three years, does not have a long enough history to allow for such analysis.

## 1. Interagency Linkages

In instances where effective interagency linkages had not been established, the failure appears to result from: poor relations between the local MA employers and the agency or institution; negative attitudes toward the JOBS program; insufficient staff either at the Metro office or in the other manpower organizations; or inadequate planning between the two groups. In some extreme cases, attitudes of defensiveness and hostility to the JOBS program existed on the part of the staff at other manpower agencies and institutions. The personnel looked upon the JOBS program as an encroachment upon their area of competence and responsibility. Sponsors of consortia were also the focus of hostility. They were accused of being "in the game because of big money."

Hostility was especially high among those who believed their own programs had been cut back in order to provide funds for the JOBS program. For example, many CAA staff expressed deep resentment because OJT and other manpower programs had been deleted from their operations after the JOBS program had been instituted in their SMSA.

Other agencies and institutions which desired to cooperate with the JOBS program were unable to do so to the extent necessary to create effective linkage because their resources were fully committed to the demands of their regular program.

## 2. Effect on Institutional Change

While no definitive assessment of the effect of the JOBS program on other agencies and institutions can be made, certain indices, which do suggest impact, are discernible in the organization and operation of the ES and CEP. However, there is little concrete evidence of impact on other institutions and agencies and one major reason for this apparently negligible effect obviously lies in the relatively poor linkages between the program and other agencies.

Following are indications of impact in ESs and CEPs:

### a. Staff Changes

For some local ESs, participation in JOBS required radical staff reorganization involving both redeployment of existing staff and acquisition of new staff. In some ESs and CEPs, outreach and recruitment for the JOBS program created additional openings for paraprofessionals as recruiters,



which led to the upgrading of minority members of the regular professional staff who supervised the work of paraprofessionals from these minority groups.

b. Policy Changes

The JOBS program offered one ES a viable structure within which to implement its HRD program by focusing attention on the hard-core unemployed. Other ESs adopted the policy of giving priority to the filling of JOBS openings.

c. Staff Attitudes

A major criticism of ES has been that its personnel lack sensitivity to the particular needs of disadvantaged persons. From field analyst reports it appears that the JOBS program, with its emphasis upon tailoring services to the needs of the disadvantaged, has had an influence upon some ES staff attitudes. This impact is most noticeable among employees involved in job development since the JOBS program has convinced them that job development for the disadvantaged involves more than matching a body with a job. It requires an assessment of the job itself. In addition, other community agencies report fewer community complaints about the insensitivity of ES staff. They believe the heavy involvement of ES in the JOBS program to be a contributing factor.

d. Operational Practices

Changes in staff assignments resulted from changes in operational practices in some ESs and CEPs. Where the ES has adopted the job bank and the job control center, changes in operational practices have been radical. Several ESs have decentralized some of their operations in order to provide more effective services to JOBS trainees. For example, there are ESs that have deployed a staff member to the training facility in order to accommodate immediate certification and placement of JOBS trainees.

G. Conclusions

1. An appreciable number of local employer groups have been increasingly sensitized to the needs of disadvantaged youth through the JOBS program. For many local chambers of commerce participation in the JOBS program, which was their very first venture into employment programs designed to help the hard-core unemployed, resulted in placing many of these disadvantaged workers in jobs and occupations previously closed to them.

2. Many agencies resent the active involvement of local chambers of commerce in the JOBS program. They argue that the chambers have



neither the expertise nor the tradition to manage and administer programs for the disadvantaged. Agency officials, as well as community spokesmen, point to the failures of many consortia as evidence.

3. There is a feeling among some officials of manpower agencies and organizations that the image of the JOBS program has been seriously impaired because of its close association with the ES and with chambers of commerce. In many communities, ES has traditionally been looked upon by disadvantaged people as being unresponsive. The close association with ES has created a "credibility gap" in some black communities and caused some to refer to it as "another one of those phoney programs."

4. The impact of the JOBS program upon manpower and other institutions could be measured only among CEPs and ESs. Positive impact was evident in the following areas:

- a. A noticeable improvement in ES staff attitudes toward developing jobs for the disadvantaged.
- b. Increased hiring of indigenous persons as para-professionals.
- c. Upgrading of minority members of the regular professional staff as supervisors over paraprofessionals.
- d. Restructuring of several ES organizations and operational practices in order to accommodate the JOBS program.
- e. Decentralization of some CEPs and ESs to make their services more accessible to the hard-core workers. In some cases, personnel were deployed to training facilities in order to facilitate immediate certification and delivery of supportive services.
- f. Highlighted the need of some ESs to improve the negative image they had in the target communities.

5. The JOBS program increased the awareness among manpower agencies and training experts that their programs must be related to real, available jobs.

#### H. Recommendations

There are a variety of factors which limit the impact of the JOBS program upon other manpower agencies and institutions. Significant among them is

the piecemeal approach to the development of a national strategy to solve manpower problems. Fragmentation, duplication, competition, and petty jealousies among governmental and private manpower agencies manifest themselves at the local level.

Given these conditions and the limitations imposed on the JOBS program by the lack of funding in comparison with the universe of need, the study staff makes the following recommendations:

1. Training programs must be developed in areas where manpower shortages presently exist in the labor market and where there is room to move up the career ladder.

2. Job restructuring must be considered from two aspects: new entry-level jobs must be restructured to lend themselves to training that is gradual and progressive in skill development; and secondly, jobs must be restructured so that employers may take advantage of the larger labor pool consisting of women.

3. All Metro staffs should create and maintain ongoing Business and Industry Advisory committees and Inter-Agency Resource committees. In those SMSAs that do not have sufficient numbers and variety of health, welfare, and manpower agencies to provide the needed expertise for two committees, it is nonetheless essential to involve individuals from potential users and from cooperating agencies and institutions in the planning, operation, and coordination of the JOBS program. Some Metro staffs have been reluctant to create such committees because of the existence of CAMPS, but field analysts report CAMPS committees are often so splintered and meet so infrequently that there would be minimal duplication of efforts.

4. DOL should provide funds for conferences at which participating companies can share experiences with each other as well as with cooperating agencies and institutions. These sessions would be particularly useful in exploring such problems as the proliferation of job developers and how to deal with unemployed persons who enroll in JOBS training programs to receive the training stipend but seem to have no intention of seeking employment.

5. A strategy to secure more cooperation and good will from labor unions and their membership should be developed. Programs and campaigns must be planned to show that the hiring of the hard-core unemployed does not necessarily threaten the status and security of older workers. Publicity about successful ventures between unions and management should be emphasized.

6. Serious consideration should be given to providing adequate funds for developing favorable public opinion. Many local JOBS programs are regarded as "lone wolves" in their relations with other agencies. This condition may have developed partly because of relatively poor publicity. JOBS should be cautioned, however, to avoid a "slick" advertising approach.

## VI. JOBS EMPLOYERS AND THEIR ASSESSMENT OF PROGRAM IMPACT

### A. Introduction

The findings in relation to employer attitudes and perceptions are based on data obtained from 145 executive, middle-management, and foreman-level personnel in 90 companies with MA contracts. Field analysts who interviewed these employer personnel reported that they were generally cooperative and candid. Interviewers used an Employer Data Guide containing questions appropriate to each level of company personnel concerning the general background of the company, JOBS program administration, program services provided, attitudes toward hard-core unemployed, and employer evaluations of impact of JOBS programs. Executive-level personnel were asked all questions in the interview guide. Middle-management personnel were not queried about general background and program administration unless they had been assigned major responsibility for the program. Foreman-level personnel in large companies were asked only about program services and attitudes towards the hard-core unemployed. In companies with less than 25 employees foremen frequently were involved in administration and were queried accordingly. Thus, data reported in this study represent the responses of a cross-section of all levels of management and is analyzed in terms of the number of persons responding to each area of inquiry.

Responses to questions related to details of program operations, impact on production, absenteeism, etc. were based more on general impressions of employer personnel than on any objective analysis of experiences. Since most executives had only an overview of what was happening in the day-to-day operation of the JOBS program, it is probable they were not experiencing any overwhelming negative or positive impact on their operations as a result of participation in the JOBS program.

#### 1. Summary of SMSA Employment Profile and JOBS Slots Pledged

There seemed to be some correlation between the areas of nonagricultural employment in the sample SMSAs and the jobs pledged to the JOBS program by the various industries. Companies representing manufacturing (both durable and nondurable goods), trade (both wholesale and retail) and service industries participated most heavily. Transportation, utilities, finance, and the contract construction industries are also represented but lagged far behind.



The employers participating in the JOBS program are likely to reflect the industrial profile of the SMSA in which they are located. In this study the exceptions were Atlanta, Houston, Phoenix, and Miami. (See Appendix A - SMSA Employment Profile Compared with JOBS Slots Pledged). Industry representation appears to be determined through the work force needs of individual companies and, to a lesser extent, by the social commitment of the company hiring the hard-core unemployed.

## 2. Reasons for Company Participation in JOBS Program

The study staff sought to determine how the 90 MA contractors participating in the study were recruited and what motivated them to participate.

As shown in Table 8, 45.5 percent of the companies attributed their entry into the program to the efforts of the NAB Metro staff. The next largest group, 14.4 percent, entered the program on their own initiative. Some respondents from this group disclosed that they had become generally aware of the program either through NAB or DOL materials. Those companies reporting their recruitment source as chambers of commerce or consortia, 7.8 and 5.5 percent respectively, were probably actually recruited by organizations selling supportive services.

Table 8

Recruitment Source of Companies' Participation  
in the JOBS Program (in percents)

| Recruitment Source      | Companies Recruited |
|-------------------------|---------------------|
| Total                   | 100.0               |
| NAB Metro staff         | 45.5                |
| On own initiative       | 14.4                |
| Chambers of commerce    | 7.8                 |
| Consortia               | 5.5                 |
| National NAB            | 3.3                 |
| Regional DOL            | 3.4                 |
| Other manpower agencies | 4.4                 |
| Other                   | 15.5                |

More than 35 percent of the respondents cited manpower needs, and an equal number cited social commitment as their primary reason for participating in the JOBS program. It should be noted that the sample was composed of 43 MA-3, 43 MA-4, and 4 MA-5 contract companies which would indicate that they had decided to participate when the labor market was generally tight and violent racial disorders were a frequent occurrence. The field analysts report that many

employers who indicated past success in hiring the hard-core unemployed admitted that they had a high percentage of turnover and vacancies in unskilled, low-entry-level jobs and that they hoped the JOBS program would assist in relieving this problem. Only five respondents specifically mentioned a desire to develop training programs or to improve existing training programs as their primary reason for participation. However, field analysts report that approximately 15 of the 90 companies were in the process of developing or refining training directed at the target population.

Fifty-two percent of the companies recruited by NAB Metros, compared with 33 percent of those who entered the program on their own volition cited manpower needs as their primary reason for participation. Conversely 45 percent of Metro-recruited and 18 percent of the own-volition group cited social commitment as the primary reason. Distribution among other reasons and source of recruitment was too scattered to be significant.

Findings reported in the following section are based on interviews with management personnel who were queried in terms of overall economic impact, and on such specifics as the effects of absenteeism, production, work habits of JOBS trainees and regular employees at the same level, and their willingness to continue to hire and train hard-core persons without Federal subsidy.

#### B. Economic Impact on Employers

Analysis of employer data demonstrated that the degree to which the JOBS program has had direct economic impact upon employers is related to the size of the individual company and the number of employees. Other considerations were the overall production output, the degree to which MA companies have been affected by the recent economic slow down, and the fact that JOBS employees constituted only a small percent of the total work force among the companies studied. This last factor, coupled with the fact that most JOBS employees perform unskilled tasks, minimized the program's potential for significant economic impact. Most jobs held by JOBS employees fell into the following general categories: laborers, machine operators, maintenance helpers, and assemblers. Thus, most of the jobs pledged by employers were concentrated in occupations which traditionally have high turnover rates.

Of 108 employer personnel responding to the question, "What has been the overall economic impact on your company's having JOBS trainees?" 50 cited no change, 27 claimed positive impact, 24 charged negative impact, and 7 did not know. There was little difference

between the responses by company size. Eight of 16 responses from small companies (under 25 employees) and 34 of the 77 responses from large companies (over 1,500 employees) stated that there had been no change; 4 small company responses and 17 large company responses were in the negative, and 3 small and 22 large company respondents reported positive impact.

Personnel from 50 of the 90 employing companies stated that they would be willing to continue to hire and train hard-core persons without Federal subsidy; 19 stated they would not; and 21 were uncertain. Again, there was negligible difference between answers from the small and the large companies.

In terms of comparing the work habits of JOBS trainees with those of regular hires at the same level, there were 124 responses. Ninety-one said that the JOBS trainees' work habits were no different than those of similar level employees; 26 indicated they were worse than those of their peers; and 6 said JOBS trainees had better work habits. Again there were no appreciable differences by company size.

Although no attendance documents were made available to the field analysts, 43 employer representatives indicated that absenteeism was not a problem; 34 that it was a considerable problem; 26 that it had been an initial problem but had improved; and 21 termed it a moderate problem. Reaction to the impact of absenteeism on production was almost identical: 41 found it no problem; 36, a considerable problem; 27 found it improved; and 22 found it a moderate problem.

Most employer representatives felt that JOBS trainees had had little impact on production; 75 of 120 responses claimed no change in production; 20 felt production was down; 14 thought production was up; 11 did not know or gave mixed responses. When viewing impact on production in relation to the percent of the total company work force who were JOBS trainees, the responses were as follows: where 0 to 7 percent of work force were JOBS trainees, 27 of 41 responded "no change"; where 8 to 12 percent were JOBS trainees, 5 of 8 responded "no change"; where 13 to 17 percent were trainees, 2 of 3 responded "no change"; where 18 to 25 percent were trainees, 9 of 12 found no change; and where over 25 percent were trainees, only 6 of 17 found no change. The next highest response was in the category "production up," mainly in large plants or where expansion of operations was under way. Finally, when respondents were asked whether or not they would continue to participate in the NABS program without a Federal subsidy, responses from 89 of the 90 companies indicated that 57 would continue, 14 would not, and 18 were uncertain. When employers were asked if they would continue with Federal subsidy the number of positive responses rose and the negative and uncertain responses were somewhat less.



Large companies reported that the relatively small number of trainees had very little impact upon their businesses. Smaller companies tended to speak of impact in terms of inflated training costs, high turnover rates, and increased cost of production during the initial phases of training and OJT. Few companies claimed increased production rates and output. Less than 10 percent of the companies could provide statistical data to support their contentions. It was apparent that most company executives had not experienced sufficient negative or positive economic impact to cause them to develop hard data about their JOBS trainees. Therefore, their responses are based mainly on their impressions and observations.

C. Impact on Work Force Needs

Few employers reported that JOBS trainees had been a significant source of labor in filling job needs. Most said that "they simply represent another source." They argued that early reports of poor work performance and excessive absenteeism among JOBS trainees limited the degree to which they would try to use trainees to fill skilled positions and other production assignments. Some employers admitted that their programs had a built-in failure factor, since these negative reports had induced many of those applying for MA-4 and MA-5 contracts not to pledge job slots which would require skilled level performances or slots of a production nature.

In spite of this relatively bleak picture, there seemed to be a consensus among most company personnel that attitudes among supervisory and management personnel had changed in favor of hiring more persons from disadvantaged backgrounds, particularly in companies where the JOBS program had benefited from well-organized and administered supportive service programs.

The responses of employers indicated that, in a tight labor market, they tend to have fewer judgmental attitudes about hiring disadvantaged persons. In these conditions, they see hard-core people as members of an available labor pool and judge the performance of JOBS employees on a par with others in like jobs. Many of these employers have dealt with the high turnover and absenteeism among entry-level employees for a number of years.

It should be noted that slightly more than 50 percent of the employer personnel gave "no answer" or "don't know" to questions relating to the impact of the JOBS program on work force needs. Two out of three of those responding viewed themselves as being in a tight labor market in relation to skilled workers, but less so in relation to unskilled workers.



Responses were 2 to 1 that there had been no change in the ability to fill skilled jobs as a direct effect of JOBS. Conversely, employer personnel reported 2 to 1 that their need for unskilled workers had eased considerably; 34 respondents felt their needs were the same and 23 reported some easing.

When responding to the question about the present value of the JOBS program in relation to their work force need, 55 responses were "helpful," 53 "very helpful," and 37 responses were "not helpful." Thus, it would appear that there is a difference of opinion within companies regarding the impact of the program on work force needs.

D. Attitudes Toward the Hard-Core Unemployed

The findings of this study indicate that, prior to participation in the JOBS program, employer attitudes toward the hard-core unemployed were mostly negative. There is evidence that, because of their JOBS program experiences, these attitudes have become more neutral or positive. Field analyst evaluations of employer responses indicate that, although some employers expressed a sense of social responsibility as a major reason for their willingness to hire the hard core, others stated that it was simply a matter of good business and the need for manpower which motivated them. Many employers have learned that, in order to retain this group of employees, it is vital to assist JOBS employees to adjust to the work environment and that they must be cognizant of social problems which impinge upon these employees' adjustment and their ultimate success as workers.

1. Willingness to Hire the Hard-Core Unemployed

Manpower needs, social commitment, experience with using such employees, the racial and ethnic composition of the work force, and the labor market were some of the factors that determined an employer's willingness to hire the hard-core unemployed. Participation in the JOBS program provided some employers with their first experience in employing the disadvantaged, and increased other employers' use of this group.

Of the 96 responses about employer willingness to continue to hire the hard-core unemployed, 63 percent were willing, 15 percent were not, and 22 percent were uncertain. Of those who were willing, 49 percent cited social commitment as the reason.

Some employers had employed hard-core persons prior to their participation in the JOBS program, usually on an individual basis.

These responses were analyzed against employer perceptions of: 1) the difference between normal hires and JOBS employees; 2) the differences in work habits of JOBS employees and regular hires; 3) the outstanding characteristics of JOBS employees; 4) the problems that the employer anticipated but did not experience; and 5) the problems he experienced but did not anticipate.

## 2. Differences Between Normal Hires and JOBS Employees

A significant majority, 71 percent, of those willing to hire JOBS employees indicated that there was no difference between the work habits of this group and those of regular employees of the same level. JOBS employees were said by 19 percent to have worse habits, and by 12 percent to have better habits than regular employees.

Of those responding that they would not hire JOBS-type employees, 63.2 percent found their work habits no different from regular employees, and 36.8 percent found them worse.

Of those who were uncertain whether they would hire this group, 90.5 percent said their work habits were no different, and the remaining responses were divided evenly between "worse" and "don't know."

Employers, when asked to describe the differences between regular hires and JOBS employees, responded as follows: none, 55; less experience and need extra help, 22; difficulty adjusting to work routine, 20; less education, 16; lack self-confidence, motivation, and initiative, 13; hostile attitude, 6; better attitude, 6; and police records, 5. The general lack of difficulty experienced by employers supports the observations made by the field analysts, and by trainee responses in interviews, that a needy disadvantaged motivated population was being reached, but not the truly hard-core unemployed. The responses of those who were not willing to continue to hire this group indicated that they had found the same type and degree of differences between JOBS and regular employees as those who were.

Employers were asked about the "outstanding characteristics of JOBS employees." Responses included: lack motivation, 26; desire to work and upward mobility, 23; difficulty in adjusting to work routine, 21; lack of confidence, 19; diligent, dependable, good workers, 18; lack work experience, 18; no outstanding characteristics, 12; and better-than-normal hires, 8. If these responses are grouped in terms of positive and negative, 61 appear positive or neutral and 84 are negative. It should be pointed out that most negative responses appear to represent the usual cliches about the disadvantaged unemployed and the impact on employers' attitudes is insignificant.

Employer responses to questions about anticipated and unanticipated problems related to having JOBS employees showed no significant reactions to such problems as absenteeism, lateness, termination, ability to learn, relation to supervisors, indifferent or poor attitude, length of time for trainee to adjust to work, or friction with other employees.

The field analysts' observations and their evaluations of their contacts with employers indicated that, as a result of their JOBS program experience, most employers have experienced a subtle positive shift in their perception of the disadvantaged unemployed as a potential source of profitable employees.

Employers also told interviewers that they had experienced fewer problems than they had anticipated when they introduced or increased the number of minority workers in their work force. There were, of course, very real problems in some plants which were only solved by clear, affirmative action by top-level management. Most black trainees verified that racial bias decreased when management took affirmative action. At the same time, many employees recognized that, if foremen became more sensitive to the needs of the JOBS employee, their retention rate would be about the same as that of normal hires at the same level.

### 3. Other Employer Considerations

Some companies, located in or near inner-city core areas which had experienced riots or other civil disorders, reported that white workers had quit or declined to apply for jobs because of fear and intimidation. One company which traditionally had about a 65-35 mix of white and black workers now had a work force that was 80 percent black, and more than 90 percent of its recent applicants were black. Much of the work in this particular plant is shift work. With poor public transportation and street lighting in the area, whites have refused employment at the plant. The employer frankly stated that he would hire anyone who has the fortitude to make the journey. Some JOBS trainees get up at 4:30 to meet a company-operated bus at 5:30 in order to get to work by 7:00 a.m.

MA companies which have developed job coaches and Buddies now feel that this experience will better enable them to continue to absorb the disadvantaged into their programs with or without a government contract. They have found that helping trainees to have good peer and supervisory relations is of greater importance than other supportive services and have become aware of the complexity of the various problems afflicting the JOBS target population.



## E. Hiring Practices and Recruiting

Employers in a tight labor market place less emphasis upon negative characteristics, such as absenteeism usually associated with JOBS employees. Many employers reported that JOBS employees perform no worse than regular hires and even that absenteeism is less pronounced among them than among regular workers. Some employers acknowledged that relatively poor work performance, excessive absenteeism, and high turnover rates are facts of life with which they have had to live for several years. Their major complaint seemed to be that the labor pool in general is far less work oriented today than it was 10 years ago.

### 1. Hiring Practices

As a result of participating in JOBS, almost all employers in the sample SMSAs reported that they had lowered job-entry requirements, primarily the educational requirements, for the jobs they offered through the JOBS program. Many employers admitted that this change had been made without any appreciable effect upon production output. Changes in hiring practices most frequently mentioned were:

- ... lower educational requirements
- ... waiving poor work history
- ... accepting females for jobs traditionally held by males
- ... recognizing the existence of social discrimination and taking affirmative action to assure that minorities were hired.
- ... opening jobs which were previously closed to the target population
- ... waiving physical requirements

Field analysts' reports show a range of impact on employers as a result of these changes. For example, a bank dropped its requirement of a high school diploma for tellers. Its success with JOBS trainees has been so rewarding that a teller program for non-high school graduates has been instituted on a permanent basis. Another company is successfully using JOBS high school dropouts as testers in its metallurgical department, and another, which has retained 42 of its 50 JOBS trainees, uses four of them as crew chiefs. One of the chiefs is a 53-year-old woman who has been on the job 16 months. She had worked as a domestic for the previous 22 years. A system of "cub" carpenters was developed in the housing industry of one SMSA because skilled men were hard to find. Some "cubs" have formed their own companies and now subcontract rather than remain employees. Women hired in the steel fabrication and prefabricated housing industry proved to be competent employees and thereby reduced labor shortages.



## 2. Recruitment

Major changes in sources of recruitment resulted from the requirement that CEPs have 24 to 72 hours to fill JOBS jobs, and that the CEP or ES certify to the eligibility of an applicant for the JOBS program. Over 60 percent of the employers indicated that participation in the JOBS program had not decreased the number of gate hires and, in some cases, the number had even increased. Forty-three percent reported that JOBS participation had brought no change in their use of the ES and 30 percent reported increased use of ES. Only 14 percent indicated no change in the use of the CEP, while 30 percent indicated increased use of CEP. A high percent did not respond to these questions since they had no hard data available. It should be noted that those who responded that their use of the ES and CEP had not changed could be indicating either continued use or continued nonuse of these services.

Companies also used existing manpower organizations such as Opportunities Industrialization Centers, Urban Leagues, Economic Opportunity Program, Job Corps, Youth Opportunity Center, and the Work Incentive Program. Because each of the 10 SMSAs had a tight labor market during the period of most of the field operations of this study, competition for eligible applicants to refer to JOBS employers was high. Even so, based on field analyst observations and trainee data, none of these recruitment sources was reaching the real hard-core unemployed. During the early phases of the JOBS program, many recruiters admitted seeking out the best of the disadvantaged group to assure early program success.

### F. Employer Relationship With Other Manpower Agencies

Due to the initial NABS concept that the private sector would develop its own program because most existing public manpower training programs had not done the job, individual employer or consortium relations with other manpower programs were generally weak.

#### 1. Relationship with Paid Contractual Organizations

The most prevalent paid contractual relationships were between the MA company or consortium and a private training company which had contracted to provide a package of support services. Services usually included a combination of the following: orientation, job-related basic education, counseling, medical and dental services, child care, transportation, and sensitivity training for management personnel. Such training companies had often been instrumental in selling potential MA companies on the benefits to be derived from participation in the JOBS program. They also stimulated

the development of consortia and frequently administered them. The capabilities of these training companies to deliver the various components of the support services package were uneven. Many employers who had not had successful experiences in JOBS attributed their problems to the inability of the training company to perform essential support services as promised. Several larger MA companies had withdrawn from their subcontracts and developed their own support services package, and some training companies had been unable to survive due to large numbers of dropouts prior to OJT.

On the other hand, many MA companies and consortia reported positive experiences with their subcontractors. The administrative structure of the consortium generally provided for adequate expertise in day-to-day operation and supportive services to be carried out by the subcontractor, leaving consortium members with minimal responsibilities. Obligations for continued participation in the program consisted mainly of submitting weekly attendance reports on the JOBS employees to the consortium manager.

## 2. Relationship with Noncontract Organizations

Beyond outreach or intake activities, the individual MA employer had little relationship with other manpower services and agencies. The impact of the JOBS program upon CAMPS has been negligible or nonexistent and CAMPS agencies reported that they had not had sufficient interaction with JOBS employees to determine how to work into the JOBS operational system. In one SMSA, the CAMPS committee actively attempted to develop a coordination with the JOBS program but could not obtain definitive information about the JOBS contracts which had been awarded in that city. In another SMSA, the CAMPS agency felt it could not depend upon the JOBS system to develop jobs suitable for its clientele and began its own job development. In effect, it created another, smaller, manpower delivery system.

In only two SMSAs did field analysts find individual MA employers making use of the training capability of the public education system; in one city where the CEP had a subcontract with the board of education to provide adult basic education; and in another where employers were using the public school skill-vocational centers to provide job-related basic education for the Indian population. The field analysts did find informal relationships between industries and individual vocational school teachers whereby companies sought and accepted graduating students referred by these teachers.

G. Supportive Services and Supervision

Eighty-nine of the 90 companies in the study sample provided some supportive services. In the one company for which no services were reported, the supervisor knew little about the JOBS program although he was "in charge of training."

Of the 89 MA employers providing supportive services, 32 provided them themselves, 26 companies subcontracted with outside training organizations for all supportive services, and 31 companies provided part of them themselves and purchased part from outside organizations. There was little difference in the number of services provided, whether they were provided by the employer or by a subcontractor. See Table 9.

Table 9  
Number of Companies Providing Supportive Services,  
by Service and Provider of Service

| Supportive Services         | Services Provided by |                | Number of Companies |
|-----------------------------|----------------------|----------------|---------------------|
|                             | JOBS Employers       | Subcontractors |                     |
| Orientation                 | 41                   | 48             | 89                  |
| Job-related basic education | 28                   | 44             | 72                  |
| Medical and dental          | 39                   | 29             | 68                  |
| Child care                  | 7                    | 8              | 15                  |
| Counseling or Buddy         | 18                   | 22             | 40                  |
| Sensitivity                 | 32                   | 33             | 65                  |
| Transportation              | 10                   | 4              | 14                  |

It is significant to note that 18 companies did not offer job-related basic education, 22 offered no medical or dental services, and 25 no sensitivity training for managerial staff although these were basic components of most support packages. Less than 50 percent provided counseling services or Buddies. Only 17 percent provided day care service, but few companies hired women as JOBS employees. In view of the fact that poor transportation was cited as a major problem by most JOBS employers in each of the 10 SMSAs, it is surprising that only 14 companies provided help with transportation such as carfare, company-operated buses, or loans or grants to purchase cars for car pools.



The field study staff observed that those employers who developed and operated their own supportive services more frequently indicated a goal of institutionalizing, or making permanent, selected support services. Job-related basic education, in combination with OJT, counseling, a Buddy System, and sensitivity training were services in which the greatest interest was shown. Approximately 25 percent of these companies had already hired staff and created special training facilities. In addition, some companies that became dissatisfied with the performance of subcontractors took over the provision of support services themselves. Although the numbers were too small to determine a trend, employer-operated programs which require a greater investment and involvement on the part of the employer, seem more likely to become institutionalized, and thus build a permanent system for using methods and techniques learned to integrate the hard-core disadvantaged into their work force. Although the following section indicates that a higher retention rate has been experienced by companies subcontracting for supportive services, employers using outside companies appear less likely to realize the long-term benefits of institutionalizing the techniques involved in training the disadvantaged unemployed. It should be noted that, at the time of this report, the JOBS program was still too new for most employers to have ventured deeply into institutionalizing their new knowledge. In addition, the recent economic downturn and the steadily rising unemployment rates appear to be negating the gains that have been made by the JOBS and other manpower programs.

#### H. Factors Affecting Retention Rates

In analyzing the retention rate of JOBS trainees in relation to different aspects of the program, and in analyzing the employers' approach to the JOBS program, it was necessary to obtain specific data for each of the sample employers. This included the industry classification of each contractor, the type of contract held, the amount of money to be spent to service and upgrade each trainee, the starting pay rate offered to JOBS trainees, whether program services were administered on the plants' premises, and if the sample companies were consortium members.

A rating system was developed to evaluate each employer in relation to different parts of the program. First, the field analyst conferred with employer personnel, NAB trainees, and subcontractors. He then evaluated the program service component, the effort being made by plant management, the opportunities for the JOBS trainee to be upgraded through acquiring skills, and the extent to which transportation problems posed a hindrance to trainees going to and from work.



It was hoped that, through the use of retention percentages as a rating system of program components, guidelines would be indicated to maximize the positive impact of the NAB-JOBS program.

It should be emphasized that retention rates were obtained from the February 28, 1970 invoice reports at the Manpower Administration, not by the field staff. This was done to assure that field analysts' ratings of program components would not be biased by their knowledge of the individual company's success in keeping trainees on board.

1. Type of Job

The first analysis dealt with the relationship between retention rates and different industry classifications. The service, transportation, and finance industries had a high average retention rate of 57 percent. Wholesale and retail trade companies followed with an average rate of 46.5 percent. Last were the durable and nondurable goods manufacturers which retained only 38 percent of their JOBS trainees.

These figures indicate that the white collar industries have been most successful in keeping JOBS trainees employed. Because analyses indicate that training programs, starting pay, and management effort toward trainees is about the same in the white collar industries as in the blue collar industries, the nature of the industries themselves and the jobs offered must be important attracting factors. Many hard-core workers feel that the typical entry-level position in a manufacturing concern is less attractive in terms of prestige and upgrading possibilities than a beginning job in the clerical, sales, or service fields.

Yet, 78 percent of the positions made available in the JOBS program in the 10 sample cities were manufacturing industries. Only 8 percent of the jobs offered were in the wholesale and retail trade and only 10 percent were in service, transportation, and finance companies. Yet national job vacancy statistics show that, of total job vacancies, only 25 percent are in the semiskilled and unskilled field typically offered by manufacturing companies.<sup>1/</sup> On the other hand, over 40 percent of the vacancies nationally are in clerical, sales, and service, which are jobs found mostly in the industries with low participation in the JOBS program, but with high retention rates for those trainees actually employed.

---

<sup>1/</sup> Joint Economic Committee, Congress of the United States, Subcommittee on Economic Statistics, 1966.

The next area of study involved a comparison between the retention rates of MA-3 and MA-4 contractors. There was little difference between the ability of the two types of contractors to keep JOBS people on the payroll. This could have been anticipated since there is no appreciable difference in the nature of the two contracts aside from the availability for use of Option B, a standardized approach, in the case of an MA-4 contract. The retention rate for MA-4 employers was slightly over 43 percent, and for MA-3 contractors, 41.7 percent.

## 2. Expenses Per Trainee

Data indicate that there was a positive relation between greater expenditures per trainee and higher retention rates, although the relationship is erratic and nonlinear. The results were as follows:

| <u>Dollars<br/>Per Contract<br/>Per Employee</u> | <u>Average<br/>Retention Rate<br/>(in percents)</u> | <u>Frequency of<br/>Companies</u> |
|--------------------------------------------------|-----------------------------------------------------|-----------------------------------|
| \$1,000-2,000                                    | 33.4                                                | 18                                |
| \$2,001-3,000                                    | 49.8                                                | 22                                |
| \$3,001-4,000                                    | 36.7                                                | 19                                |
| \$Over 4,000                                     | 43.0                                                | 12                                |

Because the retentions did not increase progressively as more money was spent, it must be concluded that there were other factors which strongly affect retention results. These other factors are discussed below.

## 3. How Support Services Are Provided

It was deemed important to study whether involvement by employers with consortia and subcontractors had affected retention rates. Retention data were measured against the following factors:

- a. whether the firm used a subcontractor for major portions of its support package;
- b. whether the various program services were provided at or away from the plant location.

Three types of answers were possible and are presented with the accompanying retention rates below. The results obtained follow a steady pattern. That is, the involvement by JOBS employers in consortia and the use of subcontractors for program services had a markedly favorable effect on

retentions. Half of the sample employers, who were using subcontractors, had an average retention rate of 48 percent. In contrast, the other employers, that had their own support program, kept only 41 percent of their trainees on board.

| Where Program<br>Services<br>Are Administered | Average<br>Retention Rates<br>(in percents) | Frequency of<br>Companies |
|-----------------------------------------------|---------------------------------------------|---------------------------|
| Inside firm                                   | 38.6                                        | 36                        |
| Inside and outside firm                       | 49.9                                        | 24                        |
| Outside firm                                  | 49.6                                        | 14                        |

As can be seen, when program services were provided solely at the employer's premises, the chances for higher retentions are significantly lower. This is consistent with the previous finding since services offered outside the firm are probably provided by a subcontractor, and firms using subcontractors had a higher rate of retention.

There appears to be some advantage to having part of the support package offered at the employer's premises. This was indicated by the 49.9 percent retention rate of firms administering services both at and away from the plant premises. A partial explanation may be that, when program services such as orientation, basic education, etc., were carried out at the work location, there was an opportunity for the JOBS trainee and his superior to meet with each other and communicate before the trainee begins OJT. Therefore, a basis for mutual understanding can be developed, which, hopefully, would be continued and enhanced during the program's duration.

Field analyst observations provided further explanation of the higher retention rates of firms using subcontractors. The support program of the individual MA employers involved in NAB-JOBS who did not use subcontractors was more likely to be incomplete, poorly administered, or inoperative. For instance, job coaching tended to be much less defined among nonsubcontractors. Effective job coaching should be conducted by an employee's peer, and subcontracting firms were more skillful in this area. Employers, who did not subcontract for support services, used foremen or other management personnel for this assignment with a consequent lack of effectiveness. On a composite basis, in a subcontracted program, a trainee received more personal attention and instruction which appeared to increase his positive feelings toward, and performance in, the JOBS program.



#### 4. Quality of Support Services

The next area studied was whether retention rates were affected by the quality of the program service package. A rating scale of 1, 2, and 3 was used in appraising the following factors:

- a. the effectiveness of job coaching;
- b. whether the basic education program contained job-related instruction, and whether this instruction was tailored to the job and to production needs;
- c. the length and quality of the orientation program;
- d. whether a provision for minor medical and dental care was included;
- e. whether follow-up existed after placement in OJT;
- f. whether job counseling and job coaching were effectively separated; and
- g. transportation.

A rating of 1 indicated that all or most of the program services were provided and that they were done well. A 2 rating meant that the existing service package was adequate in that some of the services were provided and reasonably well. A rating of 3 meant the service package was, on the whole, inadequate or virtually nonexistent. The results of this analysis are presented below.

| Rating of Program Service Package | Average Retention Rates (in percents) | Frequency of Companies |
|-----------------------------------|---------------------------------------|------------------------|
| 1. Strong                         | 55.1                                  | 20                     |
| 2. Adequate                       | 40.0                                  | 24                     |
| 3. Inadequate or nonexistent      | 37.4                                  | 29                     |

The results highlight the importance of utilizing a complete and well-administered support package. It was consistently found that when the firm's management and/or the subcontractor instituted a support package that trained and gave considerate attention to the hard-core person, the probability for longer retention was greatly increased. This invariably benefited not only the trainee but the employer by reducing the costs which result from large personnel turnover and the accompanying need to recruit, orient, and train new employees.

## 5. Level of Management Effort

The field staff also evaluated the relationship of the level of the management effort in support of the JOBS program to retention rates. The information used in making appraisals was obtained, for the most part, from two sources. First, one or more representatives of the management staff of each employer in the sample was interviewed. In the case of the larger MA employers persons were interviewed from the executive, middle-management, and immediate-supervisory strata. Criteria used were the person's knowledge and understanding of the program's objectives, his understanding of the particular problems and handicaps of the disadvantaged, the apparent sincerity of his effort, and the attitude he expressed toward the hard-core population. The second source of information used was the on-board trainees and terminees of the respective firms who gave definite responses regarding the type and quality of support services which they had received or knew about.

In a three-point grading system, a 1 rating meant that a sincere, well-intentioned effort was being made by the company, that management had firsthand knowledge of the JOBS program operation in its company, and understanding and acceptance of the hard-core person's needs were high. A grading of 2 meant that, in relation to overall program requirements, management's knowledge and actions were adequate. This rating also included companies with inconsistent performance, i.e., some persons in the employer hierarchy were of great benefit to the program while others were indifferent or lacked the required understanding. If rated 3, the company's management involvement was characterized as poor, and its activities were not fulfilling the aims of the NAB-JOBS concept.

The results of this study ensue:

| Overall Effort<br>Made by<br>Plant Management | Average<br>Retention Rate<br>(in percents) | Frequency of<br>Companies |
|-----------------------------------------------|--------------------------------------------|---------------------------|
| 1. Good                                       | 49.0                                       | 29                        |
| 2. Adequate                                   | 39.5                                       | 27                        |
| 3. Poor                                       | 44.1                                       | 18                        |

While, in more than 75.7 percent of the cases, management effort was rated adequate or better, the relationship of these ratings to retention rates was inconsistent. There was a 10 percentage point difference between the ratings for firms doing a good job and those where management effort was

graded as adequate. Nevertheless, it was found that, in the case of employers with a rating of 3, the retention rate actually increased over those with a 2 rating. It must be concluded, therefore, that although management input influences higher retentions, it is only one of several ingredients necessary for program success. Good support services also play a major role. This conclusion is bolstered by the fact that the companies with a rating of 3 for management effort were using subcontractors as often as those with a rating of 2. Therefore, lack of management expertise in conducting the program was often offset by the use of skillful subcontractors.

#### 6. Opportunity for Upgrading

In each firm the types of jobs offered the JOBS trainee were studied and evaluated with regard to their ability to provide an opportunity for upgrading. Companies offering OJT leading to skilled positions, or providing for upward mobility in marketable skills, were given a rating of 1. In contrast, MA employees that offered primarily low-skill-level employment, with little or no opportunity for the trainee to acquire a more marketable level of skill, resulted in a rating of 3. An intermediate rating of 2 was given companies that offered opportunity for a moderate amount of upgrading. The rather significant results appear below.

| Upgrading<br>Opportunities | Average<br>Retention Rates<br>(in percents) | Frequency of<br>Companies |
|----------------------------|---------------------------------------------|---------------------------|
| 1. Good                    | 62.4                                        | 19                        |
| 2. Fair                    | 43.3                                        | 31                        |
| 3. Poor                    | 31.4                                        | 24                        |

It is clear that, when a trainee was in the position of being able to improve himself through acquisition of skills, he remained in the company longer either because he was less likely to terminate willfully, or because his job performance was good enough to reduce the likelihood of being discharged. Conversely, when the jobs offered were basically of an unskilled nature, the prospects for keeping a hard-core person on board for any length of time were less than one out of three. When skill training was provided, the retention rate increased to over 60 percent. An employer, a Metro, or any administrative body associated with the program, could better anticipate the success of a JOBS program by studying the skill level of jobs it offered.



#### 7. Level of Starting Pay

In comparing the retention rates with level of starting pay, results were incomplete, but the indication was that low starting pay probably had more effect on ability to recruit the disadvantaged into the JOBS program than it did on retention. Trainees and community organizations interviewed indicated considerable resentment toward jobs with beginning pay rates of approximately \$1.60 per hour where the same job was advertised in newspapers at higher beginning wages particularly where the cost of living was high. This was considered unrealistic and definitely reduced the acceptance of the program by welfare recipients, the hard-core unemployed, the working poor who wish to obtain skills through OJT, and the heads of many community groups.

#### 8. Transportation

The remaining area of analysis revolved around the extent to which transportation problems limited program effectiveness. It was found that where the work location was accessible, trainees tended to remain in the program longer. When there were many difficulties in getting to work or required travel was expensive, retention rates dropped.

#### I. Conclusions

1. The findings in this chapter are based on employer opinions and impressions. The overall impact of the JOBS program on participating employers has not caused them to develop hard data about the effect of JOBS trainees on their operations.

2. Because JOBS trainees were not the hard-core unemployed and were such a small percentage of the work force, their economic impact on participating companies has been of small consequence. The responses of employers who participated in this study indicate the overall impact of JOBS trainees on company operations also has not been sufficient to require the active attention or participation of top-level management personnel. As could be expected, large companies were better able to cope with the increased cost of production during the initial phases of training than smaller companies.

3. Because most MA employers have offered low-skill jobs and were in a tight labor market situation, they were more willing to hire the hard-core unemployed. These employers experienced a more positive impact on their work force needs.

4. Employers whose plant locations were in areas hard to reach by public transportation were also more willing to hire the disadvantaged because the jobs they offered had been rejected by non-hard-core, motivated, persons.

5. This impact of 3 and 4 was somewhat modified where companies which previously did not hire, or hired very few minorities, opened additional jobs to this group, and permitted the motivated disadvantaged persons to obtain better wages even though the level of employment may not have increased.

6. Because of the go-it-alone philosophy, the JOBS program has not developed effective linkages with other manpower programs, educational systems, and health and social welfare organizations. Failure to make full use of the benefits of these other services has denied trainees an increased opportunity for job success and upgrading. Overall, the JOBS program has not developed the capability to provide effectively the full range of supportive services needed by trainees.

#### J. Recommendations

1. Renewed efforts should be made to enlist more nonmanufacturing businesses as JOBS contractors, since these industries contain many job vacancies of the type that retain a high percentage of hard-core trainees.

2. Efforts should be made to improve the quality of the jobs in manufacturing industries.

3. Since there is a correlation between more intensive support programs and greater retentions, program service packages that provide systematic and thorough training and preparation should be stressed.

4. The type of job offered should include skill training, since when it was available, the retention rate doubled.

5. NABS-DOL should stress with employers that management attitudes, as manifested in their action toward the hard-core worker, are reflected throughout the company and significantly affect the success of the program.

6. The starting hourly wage should equal that paid non-JOBS workers for the same tasks in order to gain the confidence of the low-income community, and also to recruit the hard-core unemployed.

7. Federal guidelines should require that the JOBS program make full use of existing manpower training, and health and welfare resources in each community before approving provision of these services through MA contracts. This would assure maximum use of existing resources, improve linkages with the community, and provide trainees with an increased opportunity for job success.



## VII. TRAINEE CHARACTERISTICS AND REACTIONS

### A. Introduction

Of the 402 persons who were interviewed for this study 32 JOBS program trainees were on board at the time of the interview, and 82 had terminated prior to the date of their interview. The group of persons interviewed was not, and was not intended to be, a statistically representative sample of the JOBS trainee population. Therefore, definitive conclusions about the national characteristics of JOBS trainees, or of trainees in the 10 areas under study, cannot be drawn from the responses of those interviewed. However, it was felt that sufficient numbers of trainees and terminees were interviewed to suggest some strong indicators about the program.

Efforts were made to meet the study design which specified that interviews would be conducted with trainees who had been employed for a minimum of six months. After a period of six months, most trainees would have completed orientation, job-related basic education, pre-vocational training, and some OJT. At this point they would probably have developed working relations with supervisors and peers, and have formed definite impressions of the program.

In four of the cities, it was impossible to obtain a large enough sample of trainees with six months of job tenure so that some trainees with JOBS employment of four to six months were included. The following numbers of trainees were interviewed in each of the sample areas.

| <u>SMSA</u> | <u>Number of Persons Interviewed</u> |
|-------------|--------------------------------------|
| Atlanta     | 39                                   |
| Baltimore   | 41                                   |
| Dayton      | 38                                   |
| Detroit     | 40                                   |
| Houston     | 41                                   |
| Jersey City | 35                                   |
| Miami       | 41                                   |
| Phoenix     | 46                                   |
| San Diego   | 41                                   |
| Tulsa       | 40                                   |
| Total       | 402                                  |

## B. Economic and Demographic Characteristics

In order to evaluate the success of the JOBS program in meeting its goals, it was necessary to assess the economic and demographic characteristics of the population in the sample SMSAs to determine whether the JOBS trainees were representative of the hard-core unemployed who were designated as the target population.

In addition to looking at each SMSA as a whole, its inner city area was studied by reviewing ES and DOL reports and on-site observations of the field analysts. Each of the 10 cities studied contains a "ghetto" or low-income section inhabited primarily by minority persons and characterized by substandard housing, high unemployment, and deprived economic conditions. Nine of the SMSAs have a Concentrated Employment Program (CEP) mandated to deal with the employment problems of the hard-core unemployed. The JOBS program uses CEP as well as the ES to recruit unemployed persons.

The 10 SMSAs in the sample are from different geographic areas. The cities range in population from fifth (Detroit) to fiftieth (Tulsa) in the nation, with a range from 4,250,000 to 500,000.

Current data on racial distribution are not consistently available since the last uniform census was issued in 1960. However, some inferences can be drawn from various Bureau of Labor Statistics (BLS), local government, and chamber of commerce manpower summaries, and ES publications. All the SMSAs are populated predominantly by white persons and have minority representations of 12 to 30 percent of blacks, Spanish-Americans, Indians, and Orientals. In contrast, the inner-city CEP areas are inhabited mainly by blacks and Spanish-Americans. A comparison of SMSA and CEP figures for Atlanta and Baltimore demonstrates how unrepresentative the CEP areas are of the general population.

|           | <u>SMSA</u>        |                    | <u>CEP</u>         |                    |
|-----------|--------------------|--------------------|--------------------|--------------------|
|           | White              | Black              | White              | Black              |
| Atlanta   | 77.8 <sup>1/</sup> | 22.2 <sup>1/</sup> | 23.0 <sup>3/</sup> | 77.0 <sup>2/</sup> |
| Baltimore | 77.1 <sup>3/</sup> | 22.9 <sup>3/</sup> | 12.4 <sup>3/</sup> | 87.6 <sup>3/</sup> |

<sup>1/</sup> Atlanta Region Metropolitan Planning Commission, Population and Housing, 1969.

<sup>2/</sup> Bureau of Labor Statistics News, "Serious Employment Problems Plague Some Atlantans," October 24, 1969.

<sup>3/</sup> Maryland Department of Employment Security, The Maryland Comprehensive Manpower Plan, 1969.

There is considerable variation in the racial and ethnic composition of the SMSAs and CEP areas studied. Three of the areas, San Diego, Phoenix, and Houston, contain a sizeable number of Mexican-Americans. The Miami area is characterized by a large Cuban population, while a significant number of Puerto Ricans inhabit the Jersey City SMSA. The labor force of both Tulsa and Phoenix contains a small percentage of American Indians, most of whom live in the CEP area.

Blacks comprise the predominant population in all the CEP areas studied except Tulsa which is 57 percent Caucasian.<sup>4/</sup> Available data indicate that in most CEP areas the black population ranges from a low of 60 percent to a high of 88 percent. With one exception, although whites represent the vast majority of inhabitants in the sample SMSAs, they are a definite minority in the CEP districts.

The average nonagricultural wage in the 10 SMSAs varies from a low of \$2.68 an hour in Miami to \$4.20 an hour in Detroit with a mean of \$3.46 an hour.<sup>5/</sup> Annual incomes in the CEP areas are substantially less than the national average of \$8,600.<sup>6/</sup> A BLS survey on unemployment in CEP areas was available for three cities in the sample: Atlanta, Detroit, and Houston. The median annual income for a family of four in the CEP areas of these cities was \$5,700; \$7,400; and \$6,000 respectively. The same study indicated that 20 percent of the households with four or more persons had incomes under \$3,500 per year.<sup>7/</sup>

The average unemployment rate for the sample SMSAs was 3.7 percent during the latter part of 1969<sup>8/</sup> while the average unemployment rate in those CEP areas for which information was available was close to 10 percent for all persons 16-years-old and over.<sup>9/</sup> In all 10 cities, the rate of unemployment among females was substantially larger than among males, and teenage (16-19) unemployment was particularly high. White unemployment was significantly lower than that of blacks and Spanish-Americans. During the early months of 1970, unemployment increased both in the CEP areas and in the entire SMSAs.

---

<sup>4/</sup> Oklahoma State Employment Service, Tulsa Area Manpower Report, 1969.

<sup>5/</sup> U.S. Department of Labor, Employment and Earnings, October 1969.

<sup>6/</sup> Bureau of Labor Statistics, Urban Employment Survey, October 1969.

<sup>7/</sup> Ibid.

<sup>8/</sup> Bureau of Labor Statistics, Area Trends in Unemployment, November 1969.

<sup>9/</sup> Bureau of Labor Statistics, Urban Employment Survey, October 1969.



The differences in education between all those living in the SMSA and those in the CEP areas were not as appreciable as the discrepancies in income and unemployment would lead one to expect. The data indicate that the population of the CEP area completed slightly fewer years of school than the population of the entire area.<sup>10/</sup> The Spanish-Americans had language problems which often contributed to their educational deficiencies.

In summary, the sample cities were representative of urban areas nationally and of their CEP areas, and contained a sizeable target population who lived in substandard housing and had low incomes, somewhat less education than the general population, and low employment levels. In addition, the CEP areas were composed, to a large extent, of black and Spanish-American peoples who have particular difficulty obtaining and maintaining employment.

#### C. Summary of Trainee Characteristics

A detailed analysis of the characteristics of the trainees interviewed in this study is provided in Appendix B including a comparison of characteristics of the respondents with characteristics of all trainees in the 10 SMSAs studied as taken from hire card data. Following is a summary profile of the trainees interviewed:

##### 1. Race

About 90 percent of the sponsors interviewed were members of minority groups and blacks represented by far the largest group.

##### 2. Sex

Sixty-four percent of those in the program were males since the NAB-JOBS program was primarily aimed at the male population in the areas studied.

##### 3. Age

Most persons in the sample were in their 20's or 30's, with only 7 percent over 45 years of age. Twenty-six percent of those interviewed were under 21 years of age.

##### 4. Education

The respondents had received an average of 10.3 years of schooling. Seventy-six percent of the blacks had at least a 10th-grade education compared to 57 percent of the whites and 44 percent of the Spanish-Americans.

---

<sup>10/</sup> Ibid.

5. Public Assistance Status

A small percentage (15.4 percent) of the respondents reported being public assistance recipients before entry into JOBS, while only 5.5 percent received assistance after participation in the program.

The small percentage of public assistance recipients reached by the program is attributed to the following factors:

- ... JOBS provides more jobs for men than for women who are more likely to receive public assistance,
- ... receipt of public assistance may not always have been reported by respondents, and
- ... many persons were not unemployed long enough before entering JOBS to have been eligible for public assistance.

6. Family Size

The average family size of those interviewed was four. Sixty-three percent of the respondents came from families of four or less.

7. Unemployment Status

The trainees questioned indicated a wide range in the number of weeks unemployed before entering JOBS. Forty percent had been unemployed for four or less weeks. However, the average unemployment was 20 weeks and 28 percent had been unemployed six months or more.

8. Family Income

The average family income of trainees was \$2,300 per year before JOBS. Eighty-eight percent had family incomes under \$4,000 per year.

9. Marital Status

Sixty-four percent of the respondents were married or had been married at one time. Thirty-eight percent of the men had never been married compared with 28 percent of the women.

#### 10. Employment History

The work history of most persons interviewed was characterized by frequent unemployment. Seventy-five percent had experienced job application rejections, and a large number had been laid off.

#### 11. Recruitment Source

One-third of those entering JOBS had been recruited by the ES. Twenty-eight percent entered the program as gate hires. Only 18 percent of the respondents were recruited by CEP although this organization received a preference for job placement. )

#### D. Impact

The evaluation of impact of the program on the trainees was designed particularly to determine the social, economic, and psychological effects of NAB-JOBS on the trainees. To ascertain the level of impact, trainees were asked questions about their economic and family life changes, their assessment of program services, the change in their absentee patterns, their perception of supervisory and peer relationships, and any other perceptions they had of the JOBS program. Terminees were queried concerning their reasons for termination, their comparison of their new jobs, if any, with the JOBS job, and their perceptions of the NAB program.

##### 1. Economic Impact

The economic effect on the respondents was positive for trainees who remained with the program. They considered the starting wage to be low but most reported receiving wage increases within six months. At the time of the interview, the trainees were earning an average of \$91 per week, or about \$2.25/hour. Most of the trainees felt they were now able to meet their regular living expenses and attributed this to their JOBS employment.

##### a. Family Life

There was a substantial percentage of trainees who stated that they and their families were better able to meet living expenses since they had been in the JOBS program. Many respondents also indicated either an improvement in family life style or other changes as shown in Table 10.



Table 10

Changes Occurring in Family Life After  
JOBS Participation (in percents)

| Change Mentioned by Trainee                                                                                  | Occurrence        |
|--------------------------------------------------------------------------------------------------------------|-------------------|
| Total                                                                                                        | 130 <sup>a/</sup> |
| Higher living standard now enjoyed                                                                           | 20                |
| Family now has adequate income<br>to meet living expenses                                                    | 31                |
| Family relationships strengthened -<br>increased confidence and security<br>achieved within family structure | 34                |
| Other positive changes                                                                                       | 20                |
| No changes                                                                                                   | 19                |
| No answer                                                                                                    | 6                 |

<sup>a/</sup> Totals more than 100 percent due to multiple answers.

At least one favorable change in their family life was reported by 75 percent of the trainees interviewed. It is important to remember that almost all trainees interviewed had been in the program for six months or longer and that the impact was, therefore, reported for families where the trainees had had extended experience with the program. Impact was less significant in families where the trainee had less job tenure or had terminated.

b. Ability to Meet Living Expenses

A rather dramatic reversal in ability to meet living expenses is shown in Table 11. Four out of five respondents felt they could now meet their expenses whereas 70 percent indicated they had had difficulty before entry into the program. Assuming the JOBS trainees continued earning the average weekly wage of \$91, their yearly income would be about \$4,700 in contrast to the average family income of \$2,300 earned during the previous 12 months. This is an increase in income of more than 100 percent.

Table 11  
Questions Asked Trainees About Their Ability  
to Meet Living Expenses Before and After  
JOBS Program Participation (in percents)

| Questions Asked Trainees                                                           | Total | Yes | No | No answer |
|------------------------------------------------------------------------------------|-------|-----|----|-----------|
| Did trainee and/or family have difficulty in meeting living expenses before JOBS?  | 100   | 70  | 27 | 3         |
| Was the difficulty in meeting living expenses a factor in seeking JOBS employment? | 100   | 73  | 18 | 9         |
| Is respondent now able to meet living expenses?                                    | 100   | 80  | 13 | 7         |

## 2. Impact of Program Services

It is difficult to make summary judgements regarding the effectiveness of the support services package because of the great variety in the extent and quality of the support services provided by MA employers and in the time allotted for each. For instance, while some of the JOBS trainees praised the basic job-related education and pre-OJT training as beneficial, others had received neither of these services.

Trainees were asked to rate the extent to which the individual supportive services provided had been helpful to them. Numerous respondents were unable to answer these inquiries because they had not received many of the services although a review of MA contracts indicated that most contracts called for a complete support services program.

Over half the respondents made judgements regarding employment counseling received and the great majority of these felt the counseling had been helpful to them in adjusting to the new work situation. About 150 respondents reported that pre-OJT training had been useful. Approximately 33 percent of the trainees who evaluated the basic educational component indicated that this had been helpful.

The other services, such as medical and dental services, day care, legal service, and transportation, were received and evaluated by fewer trainees. About one-fifth of the trainees evaluated the medical services received and almost unanimously said they had been helpful. Of the 10 percent who commented on transportation and psychological aid, almost all responded that these had been useful.

There was practically no indication of support services being provided to family members of the trainees either directly or through referral to social agencies in the community. Thus, impact on families was confined almost exclusively to the larger pay check that the trainee brought home.

About 65 percent of the respondents stated that they had completed the pre-OJT training and basic education program, whereas the remainder had not received any pre-OJT or had been placed on the job before its completion. Most prevalent among the gains mentioned were that the trainee had learned a marketable skill, had adjusted to a work routine, or had improved his basic educational skills. This is shown in Table 12.

Table 12  
Gains Mentioned by Trainees as a Result of  
JOBS Training or Education (in percents)

| <u>Gain Mentioned by Trainee</u>              | <u>Trainees Indicating Gain</u> |
|-----------------------------------------------|---------------------------------|
| Total                                         | 100                             |
| Learned marketable skill                      | 28                              |
| Acquired adjustment to work routine           | 17                              |
| Acquired basic education skills               | 13                              |
| Improved relations with peers and supervisors | 4                               |
| Other gains                                   | 8                               |
| No answer                                     | 40                              |

Some form of OJT and orientation had been received by all trainees. These services tended to vary from an hour of short instruction to elaborate sessions lasting many weeks. Although many trainees indicated they preferred short orientations related to plant policy and job expectations, some reported they had had to attend inflexible, formal sessions which bored them because they were not used to long classroom sessions and were eager to begin working.

The field analysts confirmed that orientations frequently were not tailored to individual needs. For example, the trainees who adjusted quickly and needed little help when new tasks were introduced often had to stay in sessions with trainees who needed more instruction before they acquired the ability and confidence to proceed on their own.



### 3. Impact on Absentee Rate

Trainee responses regarding absences from work on JOBS jobs compared with previous jobs indicated that the JOBS program had substantially reduced their patterns of absenteeism. Responses are shown in Table 13.

Table 13

Days Respondent was Absent from Work Each Month  
on JOBS Job Compared with Former Job (in percents)

| Days Absent        | Former Job       | JOBS Job |
|--------------------|------------------|----------|
| Total              | 100              | 100      |
| 1 or less days     | 47               | 58       |
| 2-3 days           | 8                | 14       |
| 4-6 days           | 3                | 5        |
| More than six days | 2                | 2        |
| Rarely             | 5                | 10       |
| Often              | 1                | 2        |
| Other              | -                | 3        |
| No answer          | 34 <sup>a/</sup> | 6        |

<sup>a/</sup> The high number of no answers for the past job is explained by the fact that many respondents had never worked before or had worked so irregularly that a definitive answer was impossible.

Seventy-two percent of the trainees stated that they had been absent three or less days per month from their present employment while only 55 percent indicated they had been absent three or less days from former jobs.

### E. Impact on Relationships

#### 1. Relationships With Other Workers

In discussing relations with fellow workers, 85 percent of the respondents reported that they had experienced no personal problems with other members of the work crew. Twelve percent indicated some minor problems had existed. Only 2 percent of the trainees said unsatisfactory relations existed between themselves and other trainees.

Their responses may be summed up by observing the trainee rating of morale within the work crew as shown in Table 14.

Table 14  
Trainee Appraisal of Work Crew Morale  
(in percents)

| <u>Morale</u> | <u>Appraisal</u> |
|---------------|------------------|
| Total         | 100              |
| Excellent     | 36               |
| Good          | 45               |
| Fair          | 12               |
| Poor          | 4                |
| No answer     | 3                |

It must be noted that the field analysts observed an undercurrent of tension between the trainees and the non-JOBS workers in several instances. This was often not reported by trainees because they feared loss of their jobs or were unable to pinpoint specific instances where problems had occurred. The fact that suspicions and unexpressed hostilities existed was reported to the field analysts by the employers and often by subcontractors administering support programs. They felt that, although overt problems did not exist and there was an aura of passive cooperation, fellow workers often did not make any effort to accept and acclimate the trainee to his new employment situation.

## 2. Relationships With Supervisors

It was difficult to obtain candid answers when asking trainees about their relations with their supervisors. Many of those interviewed were wary about the relationship between the field analyst-interviewer and the JOBS employer and were, therefore, hesitant to disclose any friction that existed between themselves and their supervisors for fear of exacerbating tensions or losing their job. (In an attempt to measure the extent that such fears inhibited the respondents, trainee answers were compared with those of persons on board. This is discussed later in the report.

Eighty-three percent of the trainees said that their relations with their immediate supervisors were satisfactory, and 80 percent reported that no major problems existed between themselves and management. Only 17 percent described relations as unsatisfactory and said they had encountered some problems. Eighty percent of the trainees indicated they felt they could discuss things with their foreman and only one-fifth said they could not.

Black men were more likely to indicate unsatisfactory relations with supervisors than other ethnic groups although even the great majority of blacks reported having satisfactory relations with management. Racism was mentioned by 3 percent of the respondents as shown in Table 15. Insensitivity, impatience, rudeness, and excessive demands on the part of supervisors were other problems mentioned.

Table 15  
Problems With Supervision (in percents)

| <u>Problem With Supervisors</u>               | <u>Trainee Response</u> |
|-----------------------------------------------|-------------------------|
| Total                                         | 17                      |
| Supervisor insensitive, impatient,<br>or rude | 9                       |
| Excessive demands placed on<br>trainee        | 5                       |
| Supervisor has ethnic prejudices              | 3                       |

F. Employees' Perceptions

1. Perception of Job

To establish the attitude of the trainees toward the jobs they had been placed in, each was asked his main perception of his employment. The responses were multiple and are divided into positive and negative categories. There were two and one-half times as many positive as negative responses as shown in Table 16.

Most trainees, therefore, appear satisfied with their job assignments. One-fifth of the respondents perceived advancement opportunities as most important compared with 10 percent who felt that the lack of upward mobility was the strongest characteristic of the job.

When the trainees were asked what they considered their chances were for upgrading, 57 percent felt they were satisfactory or better, and 22 percent felt they were unsatisfactory. The remainder of the trainees were uncertain.

Interview data also indicated that 59 percent of the trainees felt the JOBS program had been responsible for placing them in their present positions by opening jobs that had been previously denied them, by reducing entry requirements, by providing training or other upgrading, or by acting as a referral service. The remainder of the respondents did not regard JOBS as the precipitating factor providing employment. Interestingly, a number



of the trainees stated they had never heard of the JOBS program and were unaware that they were receiving special training or consideration. Some employers believed it would endanger the program in their plants to single out the JOBS trainee and that awareness of the program would only complicate relations between the trainee and other plant personnel. Thus, they consciously avoided identifying the JOBS program except at the highest echelons of management. Other employers had such a poor and incomplete support program that the trainee really did not receive special consideration.

Table 16

Trainees' Positive and Negative Perceptions of Their  
JOBS Job (in percents)

| <u>Perceptions</u>                   | <u>Trainees</u>   |
|--------------------------------------|-------------------|
| <u>Positive</u>                      |                   |
| Total                                | 135 <sup>a/</sup> |
| Secure job                           | 24                |
| Opportunity for advancement          | 21                |
| Good wage opportunities              | 30                |
| Improved living style                | 22                |
| Interesting                          | 6                 |
| Causes individual to feel productive | 8                 |
| Provides a skill                     | 8                 |
| Other                                | 16                |
| <u>Negative</u>                      |                   |
| Total                                | 53                |
| No upward job mobility               | 10                |
| Poor wage opportunities              | 16                |
| Dull                                 | 3                 |
| Not productive or worthwhile         | 4                 |
| Does not provide marketable skill    | 4                 |
| Not secure                           | 5                 |
| Not as originally promised           | 1                 |
| Other                                | 10                |

<sup>a/</sup> Total adds to more than 100 percent because of multiple responses.

## 2. Perception of Employer

The trainees were queried about the amount of personal attention received from management while on the job. The responses are presented in Table 17. Almost 90 percent of the respondents reported receiving more attention than they had expected.

Table 17

Perception of Personal Attention Received by Trainee  
After Beginning OJT (in percents)

| <u>Personal Attention<br/>Received</u> | <u>Perception</u> |
|----------------------------------------|-------------------|
| Total                                  | 100               |
| A great deal                           | 42                |
| Some                                   | 47                |
| None                                   | 8                 |
| No answer                              | 3                 |

Seventy-six percent of the respondents felt the employer was concerned about and interested in his employees, although only 42 percent of them indicated receiving a great deal of personal attention from their supervisors during their orientation period. Fifteen percent did not feel the employer was concerned about them. The major factor advanced by trainees as evidence of employer concern was the responsiveness and approachability of their immediate supervisors.

Five of six trainees interviewed felt the company valued them as employees. The largest factor mentioned was personal attention given by the management to the respondent. Trainees also expressed a feeling of confidence in their jobs as a result of feeling needed. Of much less importance was the fact that the trainees received upgrading in wages or job title. Two-thirds of the trainees thought that the company provided an adequate fringe benefit program, whereas 15 percent did not feel benefits were sufficient. The major sources of satisfaction in this area were the medical insurance and medical services provided, and the paid sick leave and vacation, which were mentioned by 32 and 18 percent of the trainees, respectively.

## 3. Perception of Best and Worst Aspect of Work

Each of the respondents was asked what he considered to be the best and worst aspect about working at the JOBS employer. These responses are shown in the following Table 18.

Table 18

Trainee Perception of Best and Worst Aspect About Work  
for JOBS Employer (in percents)

| Aspects                                  | Trainees Citing<br>Best Aspect | Trainees Citing<br>Worst Aspect |
|------------------------------------------|--------------------------------|---------------------------------|
| Total Number                             | 134 <u>a/</u>                  | 95                              |
| Wages                                    | 23                             | 14                              |
| Fringe benefits                          | 7                              | 2                               |
| Working conditions                       | 19                             | 13                              |
| Advancement opportunities                | 5                              | 2                               |
| Cooperation and concern of<br>management | 11                             | 6                               |
| Job training                             | 7                              | 2                               |
| Relations with coworkers                 | 20                             | 3                               |
| Work is interesting, enjoyable           | 14                             | <u>b/</u>                       |
| Transportation                           | <u>b/</u>                      | 7                               |
| None                                     | 9                              | 26                              |
| Other                                    | 18                             | 20                              |

a/ Total adds to more than 100 percent because of multiple responses.

b/ Indicates no trainees indicated a response for this category.

Twenty-eight percent of the respondents said wages and advancement opportunities were the best aspects about working at their employer, 33 percent stressed relations with others, and 33 percent emphasized working conditions and the extent to which they enjoyed their jobs. Advancement opportunities and job training were mentioned as "best" by only 5 percent and 7 percent of the trainees, respectively. Thus, the employees' statements about factors they disliked about their employers were not necessarily the same as the factors trainees cited for leaving the program.

The two areas mentioned most both positively and negatively were wages and working conditions. Transportation was also mentioned by 7 percent of the trainees as the worst thing about their JOBS employment.

4. Trainee Attitudes Toward Future Employment

Sixty percent of the trainees felt optimistic about their possibilities for future employment. Another sizeable percentage were uncertain, as indicated in Table 19.



Table 19  
Trainee Attitudes Toward the Possibility of  
Future Employment (in percents)

| Attitude                    | Trainees |
|-----------------------------|----------|
| Total                       | 100      |
| Optimistic                  | 60       |
| Pessimistic                 | 6        |
| Uncertain                   | 29       |
| Apathetic or not interested | 1        |
| Other                       | 1        |
| No answer                   | 3        |

It appears that a significant number of the trainees have been encouraged about their chances to remain employed because of JOBS training. The great majority of respondents had aspirations of moving on to a higher occupational category which would provide more status and specific skills. Over half the trainees felt they would obtain such a position, compared with only 3 percent who definitely felt they would not.

G. Terminees

1. Reasons for Termination

As previously noted, 82 terminees were included in the sample in order to obtain a different perspective of the JOBS program. It was felt that terminees would be more candid in their answers. The reason for termination reported by the respondents is indicated in Table 20.

Table 20  
Reason for Termination From JOBS Program (in percents)

| Reason for Termination | Terminee |
|------------------------|----------|
| Total                  | 100      |
| Discharge              | 33       |
| Layoff                 | 16       |
| Quit                   | 44       |
| Other separations      | 7        |

The reason for termination varied significantly by race in that no whites reported having been discharged. Males were much more likely than females to be discharged but were less likely than females to have quit.

The primary reasons cited for voluntary termination were friction with management, unspecified personal reasons, unpleasant working conditions, and dislike of the job. Nine of the 82 trainees said racial discrimination had been a major factor in their leaving and the same number left the JOBS job to take better employment elsewhere. Reasons for voluntary termination are indicated in Table 21.

Table 21

Major Reasons Terminees Voluntarily Left JOBS Jobs Employment

| Major Reasons                                        | Number of Terminees<br>Giving Reason |
|------------------------------------------------------|--------------------------------------|
| Total Number                                         | 122 <sup>a/</sup>                    |
| Friction with management                             | 24                                   |
| Personal reasons                                     | 20                                   |
| Not enough money                                     | 17                                   |
| No chance for advancement                            | 12                                   |
| Take better job elsewhere or go<br>into own business | 9                                    |
| Discrimination                                       | 9                                    |
| Disliked job                                         | 8                                    |
| Hours and/or shift work                              | 7                                    |
| Physical conditions at work station                  | 7                                    |
| Menial or unpleasant work                            | 4                                    |
| Impersonal atmosphere                                | 2                                    |
| Friction with peers                                  | 2                                    |
| To enter school or armed forces                      | 1                                    |

<sup>a/</sup> Total adds to more than 82 due to multiple responses.

Forty percent of the female terminees stated personal reasons unrelated to their job as the main reason for termination. This usually involved child care, which was not provided by the support services of the companies involved.

Turnover occurred more often among single employees who did not feel as constrained to stay on the same job as married persons. Employers reported that a number of single persons that left the program did so due to military obligations or to return to school. However, only one former trainee who

returned to school, was available to be interviewed. Younger workers appeared less likely to remain with one employer. Friction with management and involuntary dismissals were cited more often by black and Spanish-speaking persons than by their white counterparts.

Many of those that had terminated were without new employment. Twenty-five percent of those who were working reported that their new jobs were preferable to their JOBS employment while about 15 percent of the terminees had new jobs which they liked less than the JOBS job. Approximately 9 percent had another job which was similar to the JOBS job. Whites were more likely to prefer the new job than those in other racial or ethnic categories.

The major factor the respondents found preferable about new employment was more income, while most of those who had preferred the JOBS job cited the working conditions.

## 2. Perception of JOBS Program

On the whole terminees indicated that JOBS had had a positive impact, although they were much less positive than persons still in the program as shown in Table 22.

In every area of perception, females indicated more satisfaction with the program than men. Black males were the group most likely to have experienced problems with supervision, few positive gains from training, or little personal attention from management staff.

Table 22

Terminees' Feeling About Positive Gains from Jobs Training and Education Compared with Trainees' Feeling (in percents)

| Feeling About Gains<br>From Program | Terminees | Trainees |
|-------------------------------------|-----------|----------|
| Total                               | 100       | 100      |
| Gains received                      | 45        | 72       |
| No gains received                   | 34        | 27       |
| Uncertain or no answer              | 21        | 1        |

Seventy percent of the terminees said that the help received from their supervisor was beneficial compared with 22 percent who felt it was unsatisfactory. This may be compared with the trainees of whom 80 percent said supervisory help was satisfactory and 17 percent felt it was not.

Terminees were asked if problems had occurred between themselves and their supervisor. The results, as indicated in Table 23 show terminees more likely to have experienced difficulties of this nature than those still in the program.

Table 23

Terminees' Responses Concerning Problems with Supervision Compared with Trainees' Responses (in percents)

| Problems<br>With Supervision | Terminees | Trainees |
|------------------------------|-----------|----------|
| Total                        | 100       | 100      |
| Yes                          | 28        | 17       |
| No                           | 67        | 83       |
| No answer                    | 5         | -        |

The most frequent complaint of the terminees was that their supervisors had been insensitive and unapproachable. Those experiencing problems said better communication with management could have prevented tension and reduced misunderstandings.

Another area of comparison between terminees and trainees was in the area of personal attention received from supervisors. Those still in the program reported receiving more attention than the terminees and this was considered a critical aspect of the program by both trainees and terminees. Their responses are shown in Table 24.

Table 24

Terminees' Responses to Amount of Personal Attention Received Compared with Trainees' Responses (in percents)

| Amount of Personal<br>Attention Received | Terminees | Trainees |
|------------------------------------------|-----------|----------|
| Total                                    | 100       | 100      |
| A great deal                             | 35        | 44       |
| Some                                     | 46        | 48       |
| None                                     | 13        | 7        |
| No answer                                | 6         | 1        |



The last area of comparison of terminees with trainees was whether the respondent could have obtained the type of employment offered through JOBS without participating in the program. Responses are shown in Table 25.

Table 25

Terminees' Perception of Whether They Could Have  
Obtained Equivalent Employment,  
Compared with Trainees' Perception (in percents)

| <u>Could Have Obtained<br/>Equivalent Employment</u> | <u>Terminees</u> | <u>Trainees</u> |
|------------------------------------------------------|------------------|-----------------|
| Total                                                | 100              | 100             |
| Yes                                                  | 38               | 28              |
| No                                                   | 50               | 61              |
| No answer                                            | 12               | 11              |

Both terminees and trainees were aware of attitude changes by NAB employers with respect to hiring policy. Half the terminees felt they would not have been able to obtain the job provided by NAB without the JOBS program. Blacks and Spanish-Americans were more aware that entry standards had been dropped than were their white counterparts. Attitude changes of this nature represent a major contribution of the NAB effort.

#### H. Conclusions

Since these conclusions are based on responses from a relatively small and not necessarily representative sample, the results obtained cannot be regarded as valid for all JOBS trainees.

Based on these responses, the study staff has made the following findings:

1. Of those interviewed, most were disadvantaged persons and 90 percent were from the minority community, with blacks having the greatest number. They had poor employment histories before entry into the program and had average family incomes of about \$2,300 per year. Most trainees were between the ages of 21 and 40.
2. The trainee sample indicated that the program provided jobs for men rather than women, although more women applicants are public assistance recipients.
3. The sample population reported more work experience in clerical and service positions than was anticipated. Such positions, although often held in high esteem by the disadvantaged workers, are rarely offered through JOBS.

4. Only 18 percent of the respondents indicated that they had been recruited through CEP even though it had a preference period for trainee referral. About one-third of the trainees were recruited through the ES and almost an equal percentage were walk-ins. Recruitment by other manpower agencies was limited.

5. A significant economic impact was seen on trainees who had remained in the program. After JOBS participation the percentage of trainees receiving public assistance declined from 15.4 percent to 5 percent; family income increased by more than 100 percent; and 80 percent of the trainees could meet living expenses whereas 70 percent had had difficulty meeting these expenses before entering the program.

6. The extent and quality of support services received varied considerably. Some trainees stated that they had received no special services. Others had received a complete package from orientation and training through OJT and job coaching. The trainees, for the most part, felt that services actually received had helped them acclimate to the work routine. However, in many cases, support programs were not individualized, so that the brighter trainees had become bored with material they had mastered quickly or had learned previously while slower learning trainees had not received all the remedial help they needed.

7. Forty-two percent of the respondents indicated receiving a great deal of help from supervisors.

8. Most trainees reported good relations with other workers and supervisors. Several management persons, however, described unexpressed tensions resulting from resentment toward the special treatment received by the disadvantaged workers and toward the potential threat posed by this emerging work force.

9. Most trainees' perceptions of their jobs were positive and 60 percent felt they could not have obtained their job without the NAB programs. Three out of four trainees felt positive about their employers and placed a premium on employer sensitivity to their feelings and needs.

10. Other significant changes that had occurred through JOBS participation included a substantial decrease in absenteeism and a greatly improved attitude toward future employment.

11. Approximately half the terminees reported that their JOBS employment had ended by involuntary termination or lay-off. Forty-four percent had quit and, of these, 11 percent had left to take better jobs.

Turnover was higher among younger workers and single people. Friction with management and involuntary dismissals were cited by more blacks and Spanish-Americans than by their white counterparts. The complaint most frequently registered by terminees involved the insensitivity of supervisors.

12. When compared with trainees, the terminees were found to be less positive about the JOBS program. Nevertheless, even the majority of terminees said JOBS had opened doors to employment and had provided beneficial remedial help through training, education, and supervisory assistance.

## VIII. SIGNIFICANCE OF JOBS PROGRAM COMPONENTS AND OPERATIONS

### A. Program Components - Need, Usage, and Effectiveness

It has been established that hard-core unemployed persons require the full range of human resources development (HRD) services in order to enter and remain in the work force successfully. The findings of this study show, however, that certain essential HRD service components were not provided by some JOBS employers, some were offered only sporadically, and others were rejected as nonessential.

While it is true that JOBS trainees had different levels of job experience and training and, therefore, required varying levels of support, study findings indicated that, in most cases, the level of training and the HRD services offered were inadequate and incomplete.

#### 1. Orientation and Motivation

The format for orientation programs among employers ranged from one hour lectures on organization rules and policies to elaborate programs extending for several weeks. The most usual pattern, however, was a two-week eight-hour-a-day program.

Almost all orientation programs included information on human relations, family budgeting, and personal hygiene. In several cities, instructional materials on transportation routes and schedules of public transportation were included as essentials to good work performance.

Forty-one companies provided their own orientation and 48 subcontracted for outside assistance. Companies in both groups also turned to the CEP, OIC, the Urban League, and other community agencies.

Employers who claimed that orientation of more than one week was redundant received corroboration from some trainees who said they became bored and sometimes got into trouble or even dropped out during this period. Some employers felt that not all trainees should be required to undergo orientation and that the agency performing certification (ES or CEP) should suggest to employers those trainees who did not appear to need it.

In San Diego one consortium had an orientation policy which violated the JOBS contract specification that trainees be placed on the payroll at the time of their acceptance into the program. Orientation was conducted for



two weeks for all trainees. At the end of the two weeks the trainee was referred to an employer for selection and placement on the job. If the trainee was hired he was paid for the two weeks spent in orientation; if he was not selected he had the option of returning for two more weeks of orientation and taking his chances on being hired after that. If hired, he was paid for only two weeks. If he chose to drop out after the first rejection, he received no stipend for the two weeks he had spent.

## 2. Job-Related Basic Education

Job-related basic education was intended to improve the reading, writing, arithmetic, and communication skills needed to perform the jobs for which the trainees were hired. Seventy-two companies interviewed provided a structured educational program, although the programs varied in terms of quality, length, scope, and efficiency of operation. Some were designed to be given on request, and some only provided instruction in English as a second language for foreign-born employees.

Most employers used programmed materials designed for adult basic education in remedial reading and basic arithmetic. Nearly 30 companies conducted their own programs. Field analysts observed that most of these programs conducted in plant by individual companies were poorly organized and poorly run. The 44 programs provided through subcontracts with outside training companies were judged to be superior. In only a few cases were these basic education programs tailored to the specific skills required for job performance.

## 3. On-The-Job Training (OJT)

OJT is a mandatory component of all JOBS programs. Most OJT programs were well organized and well administered, but some were so vaguely defined that trainees were not aware that they were being trained. In many companies OJT was associated with the trainee's probationary period.

Trainees who looked upon the JOBS program as an opportunity to develop job-entry skills reported that they had demanded that employers improve OJT programs and upgrade the quality of training to a level suitable for meaningful learning.

The format of OJT varied from a few hours in which a fellow worker taught the trainee to set up a machine, or informal Buddy training to instruction by the foreman who used the experience as a means of screening new employees. Many plants conducted outstanding OJT programs which included demonstrations and bench work instruction. In a few plants, management and union

members constituted an instructional team. Nearly all employers viewed OJT as the most important factors in the JOB program.

#### 4. Special Counseling and Job Coaching

Only 40 companies provided a formal counseling or job coaching program. In a few companies in which the management staff was relatively small, the company president served as the counselor. While he may have been competent to deliver such services, his position tended to hamper his ability to establish meaningful rapport. Most small companies that were not consortium members relied upon the CEP or ES to provide counseling; a few subcontracted with training companies.

The counseling role differed among employers. In some plants, the counselor served only as the interpreter of plant rules and regulations; in most, this role was combined with that of the job coach. Usually the counselors interviewed saw themselves as facilitators, assisting the trainees with in-plant problems, as well as with outside-the-gate matters.

Most training and consultant companies providing subcontracted support services assumed the advocate role between trainees and employers. Often training company counselors performed the dual role of counselor and coach. These counselor-coaches reportedly maintained at least a weekly contact with the trainee and often provided the liaison with the trainee's immediate work supervisor. A few employers resented the trainee-counselor relationship and felt weakened by the trainee-employer relationship. One subcontract was cancelled because the employer felt that the counselor-coach had become an advocate of the trainees against the best interest of the company.

All employers providing counseling in some form considered it essential and felt that they would have had far less success with trainees had they not had the support of the counseling-job coaching services.

#### 5. Medical and Dental Services

Sixty-eight companies provided medical and dental services consisting of initial physical exams and, in some cases, of minor medical and dental treatment and the purchase of such corrective aids as glasses, teeth, and hearing aids. Services ranged from companies providing only a physical examination as a job-entry requirement to one that provided a single trainee with \$300 worth of dental services.

Most employers underestimated the need for medical and dental services among the trainees. Many companies found that the cost of providing even minor services to trainees had increased the training cost per trainee beyond the projected unit cost and had to seek assistance from public health agencies. Others simply did not provide all the contracted services.

#### 6. Sensitivity Training

Most of the literature on the employment of the disadvantaged has pointed up the need for employer awareness of the life style of the disadvantaged and how it affects his work performance. The study findings support this generalization. About 7 out of 10 companies interviewed provided some form of human relations training. Interviews with employers affirmed that the sensitivity of supervisors and foremen to the characteristics of the JOBS employees affected not only their work relationships with the regular hires, but also influenced how well they adjusted to work routines, regulations, and the ethos of the work organizations. Many employers indicated that members of their company had participated in a supervisors workshop, prepared and conducted by the Human Development Institute, Inc. under contract to the DOL.

Employer reaction to the human relations programs varied from "sheer waste of time" to "eye opener." Some were disillusioned by the fact that there had been no apparent change among supervisory staff attitudes after participation in these sessions while others were convinced that the success they had enjoyed in the JOBS program was related to these sessions.

Those employers who had not participated in such outside sessions but had provided their own human relations training attributed neither success nor failure of their JOBS programs to sensitivity training. However, it was quite clear that in one plant which had not provided any sensitivity training for its staff, the friction created between JOBS employees and regular employees resulted from the inability of the foreman to explain the objectives of the JOBS program to the regular employees. In another plant, field analysts observed that, although there was clear evidence of supervisory insensitivity to JOBS employees, none of the supervisors had attended consortium-sponsored sensitivity sessions. This firm was beset by heavy turnover among both regular and JOBS employees and the employer could not understand why they were not loyal to the firm.

On the other hand, one company, which had pledged 88 slots and had filled 53 of them with JOBS trainees, and whose average absences were fewer than one per month, was enjoying a great deal of success with the program. This plant was conducting its own sensitivity programs among supervisors and foremen, had hired a competent director to oversee the JOBS program in the



plant, and had participated in most consortium-sponsored activities related to the JOBS program. When friction between JOBS employees and regulars appeared, foremen and other supervisors were equipped to handle it.

#### 7. Transportation, Child Care, and Other Services

While transportation was a common problem listed by JOBS employers in all the sample cities, inadequate public transportation seemed to hamper the JOBS program most in Phoenix, Tulsa, Baltimore, and Detroit. Baltimore attempted to solve its problem by setting up its own transportation program through the joint efforts of the CAA and other manpower programs participating in the JOBS program.

Field analysts reported that, even in cities in which transportation was fair, the cost of getting to plants located outside the city limits, and the travel time required, discouraged many hard-core persons from accepting jobs. Only ten companies developed in-house means for dealing with the problem: some employers advanced loans to employees to buy cars and provide car pools; a few granted trainees a transportation allowance; and other employers bought buses and provided daily transportation to and from work. In one such company some trainees had to get up at 4:30 a. m. in order to meet the bus which brought them to work by 7 a. m.

While some other employer's contracts specified providing transportation assistance, they never were able to devise means of fulfilling this obligation.

#### 8. Child Care

Seventeen percent of the employers interviewed indicated that they provided some form of child care assistance to working mothers, usually financial support to those who were paying for child care services away from home. Four employers granted baby sitting allowances. In a number of cities working mothers were eligible to use publicly supported child care services.

#### B. Relation of Support Services to Program Effectiveness

Study findings show that there was no consistency among employers in the handling of supportive services. Thirty-two companies provided the total package themselves while 26 employers used outside assistance. The remainder used a combination of both for one or more components.

All field analysts concur that job coaching, a mandatory component of the JOBS program, appeared to be a weak link. In some cities, job coaching seemed to have ceased after the trainee had been placed on OJT.



In providing orientation, some contractors integrated it into basic education and OJT while others devoted the first 80 hours of training to orientation alone. However, the subjects discussed during orientation varied a great deal and field analysts reported that many employers complained about its inadequacy particularly in preparing the trainee for adhering to work rules and for concentrating on a job task over an extended period of time.

With few exceptions, total support packages that were subcontracted to outside consultants or training companies were superior to in-house support programs. The latter tended to suffer from being too closely associated with management operations since counselors were usually middle-management personnel, and orientation, basic education, and OJT were conducted by supervisors and foremen.

Trainees felt that the support from outside firms worked for them rather than for the employers, and subcontractors reported spending more time with trainees on off-the-job problems and in evening and weekend contacts than did in-house support staff. Trainees were not sure about how personal they could get with in-house counselors.

Most difficulties experienced by subcontractors related to unexpected expenditures which forced a reorganization and sometimes a curtailment of program services.

### C. Barriers to Program Effectiveness

#### 1. Internal

One of the most serious administrative and operational deficiencies of the JOBS program was the lack of executive-level participation in the day-to-day implementation of the program. In large plants, general administration of the program was usually assigned to a vice president but its actual operation was almost always delegated to a middle management person, generally the equal opportunity officer or a member of the industrial relations staff.

In smaller firms, the program was often directed by the chief administrative officer who delegated day-to-day operations to an assistant or a foreman. For such staff members, operating responsibility for the JOBS program was usually an additional assignment rather than a primary one. In those companies where one staff person had the JOBS program as his major responsibility, the program enjoyed its greatest success. In about 10 percent of the companies a minority person had been hired to oversee the program and worked under the supervision of a middle manager.

In summary, the JOBS program succeeded best where there was a well-delineated equal employment policy that had the visible backing of top management; was recognized as a major commitment of the company; and was applied to all phases of employment from hiring to promotion and supervision; and where the JOBS program was clearly understood by unions, all sources of recruitment, and community agencies, and was the primary assignment of a responsible official of the company.

## 2. External

Several external factors have also influenced the effectiveness of the JOBS program. The close association of JOBS with chambers of commerce and the ES has created a negative image in cities where those organizations are regarded with hostility. The absence, in some communities, of a distinction between the administration of JOBS and the administration of other related manpower programs has led to confusion and to the attribution to JOBS of the failures of other programs. Actually, in all 10 SMSAs, the identification of JOBS with the local manpower service system was unavoidable because of its close association with the CEP and ES and the participation of CAMPS. If the local manpower service system suffered from a poor image, JOBS shared that public opinion. Poor publicity also hindered the JOBS program in at least two of the SMSAs studied.

### D. Operational Problems

Metro staff, employers, community leaders, and trainees all reported a number of operational problems that marred the functioning of the program. Although field analysts were not assigned to investigate these problems nor to find methods to resolve them their observations of these problems should point up areas which, if studied, could lead to an improvement in the program operations.

1. Too often plant managements were offering incomplete or ineffective programs because they were unaware of the content and conduct of beneficial support programs. Those employers who lacked experience in manpower training had no basis upon which to judge the progress of their program. This might be improved by providing systematic technical assistance from a DOL manpower specialist or technical assistance and monitoring could be assigned to the Contract Service Representatives from the ES. In the case of consortia, a manpower specialist on the headquarters staff could be responsible for overseeing the provision of support services to member companies. Implicit in such a program would be a full-time consortium administration which would have authority to require members to provide an adequate level of services, either in-house or by outside contract.

2. Another operational problem was the failure of the Metros to develop effective relationships with the community and with advisory committees. In most of the SMSAs, even those where the Metros had hired a minority representative for their staff, not enough rapport had been developed with community leaders to learn from them the problems of the disadvantaged unemployed. Such communication is necessary to gain credibility for the program, promote understanding, and reach the target population.

Metro staff must also become better acquainted with the various services available through community agencies in the areas of child care, medical aid, social service, counseling, etc., and to communicate this information to employers. This would enable participating businesses to refer their trainees and their families to places where aid can be obtained and might well reduce program costs to both contract and noncontract employers.

3. Further study should be given to the income criteria for eligibility. Confusion over the application of these criteria was often intertwined with misinterpretation of whom the program should be serving. In many communities, people with family incomes somewhat over the poverty level are, in fact, disadvantaged. However, whether they had been admitted to the program depended on the flexibility of the person certifying to their eligibility. Some people with incomes above the poverty level had been admitted to JOBS because they had been deemed disadvantaged in other respects. Others, who did not meet the criteria, had been admitted because the certifying agency is involved in the numbers game of maximizing successful placements. The inevitable result of such flexibility is that the truly hard-core unemployed people may not get into the program.

4. The methods used in reporting the achievement of goals should be clarified. JOBS literature defines the program objective as placing a specific number of people on the job by June 30, 1970. The Metros, however, sometimes confuse on-the-job persons with pledges or authorized slots and report these more favorable figures. Such misinterpretations reinforce statements by community people that reported program achievements are unrealistic or inflated.

5. A new provision of JOBS '70 is designed to overcome the hazards of "front end loading" whereby heavy expenditures are made by the employer at the outset of the program because many services must be provided before the trainee begins work, but reimbursement occurs over a long period. Thus, if the trainee terminates early, the employer incurs a loss. Under JOBS '70, money will be advanced to employers at a rate calculated to match expenditures. The field staff had no opportunity to observe the impact of this new provision since few JOBS '70 contracts were operative.



6. A major problem confronting NAB is the inability to enlist more employers into the program. A maximum number of companies must be reached to create the largest possible impact. This should include categories of industry which have a low rate of participation, particularly those with large numbers of clerical, service, and sales positions which, it has been shown, have a relatively large number of job vacancies and are unusually attractive to potential trainees.

7. Since most Metro staff members are on loan from business, and since too long a leave could threaten their upward mobility within their own company, regardless of their social conscience, most NAB staff persons insist on limiting their term with the program to one year. Their departure, and the resultant transition to replacement staff, often disturbs administrative procedures and results in confusion and misunderstanding within the organization and between the NAB office and the community. Some Metros have attempted to overcome this problem by staggering the terms of the directors and chairmen.

8. Many programs fell apart when subcontractors became insolvent and had to halt administration of support services or training. This might be avoided if the Metro provided employers with a rating system whereby they might judge the stability and effectiveness of subcontractors.

9. Some employers said they had difficulty in obtaining suitable referrals to fill the available job openings in their plants. It would be helpful to develop a matching process that would send suitable people to the various jobs and to make sure that trainees were correctly informed about the nature of the work to which they were being sent.

10. Any contract change requires resubmission of the contract to DOL and a consequent delay in the program. Some employers desired more flexibility in describing the positions offered since company operations changed. More flexibility would probably expand and improve operations.

#### E. Conclusions

1. One of the most important achievements of the remedial manpower programs has been the development of a long list of manpower services necessary if those competitively handicapped in obtaining jobs are to be equipped to take advantage of economic opportunity. The JOBS program included most of this total kit of manpower tools, and mandated some of them. They have been used with varying degrees of competence and regularity.

2. Success in retention of hard-core trainees in JOBS employment is dependent upon an effective and comprehensive range of supportive



services. While all the components may not be offered with the same degree of frequency and depth, they are all, nonetheless, essential.

3. The orientation and OJT programs, which were offered by all the employers but one, ranged from less than one day in duration to rather long, elaborate programs. Slightly more companies used outside sources in developing programs than those conducted in-house.

4. Responses from trainees indicate that some found orientation helpful; others who considered themselves job ready felt it was a waste of time. Some trainees resented the level of instruction during OJT and some demanded better materials and instruction.

5. Job-related basic education also varied among the 72 employers who offered this service. However, based upon improved grade scores, trainees' perceptions, and field analysts' assessments, programs conducted by outside contractors appeared superior, for the most part, to programs conducted in-house.

6. Although job coaching and counseling was a mandatory component fewer than 45 percent of the companies interviewed provided such service and, in many of these, the service that was provided was so inept that it was almost totally unproductive. It was apparent that there was a measurable relationship between inadequacy of the job coaching function and dropout and turnover rates.

7. One of the most positive findings has been that, where there was good job coaching and supervisory and human relations training, the retention rates among the trainees were almost invariably far above the national average.

#### F. Recommendations

1. Since there is a positive relationship between the effective utilization of support services and the success, in terms of high retention and better job performance, of trainees, it is strongly recommended that DOL devise procedures for close monitoring of those services for quality and quantity, and to correct abuses among employers who are not living up to their contract obligations.

2. Considering the number of employers who did not provide the mandatory counseling and job coaching, and the inadequacy of the service offered by some who did, DOL should provide more explicit guidelines for establishing job coaching, as well as more technical assistance in their implementation.

3. Employers should be encouraged, perhaps through additional financial incentives, to assist local public and private organizations to provide better transportation for trainees to the places where jobs exist, and at a minimum cost to trainees.

4. Child care services for working mothers have not been a critical problem in the JOBS program thus far largely because there have not been adequate employment opportunities for women. Should employers begin to open up more jobs for women, such restructuring should be accompanied by planning for more child care facilities and services.

5. Several trainees stated that they resented being singled out from the regular work force and considered themselves stigmatized by their entry into a special program. Regular employees occasionally expressed resentment toward the trainees for the special consideration they received. Since the study staff considered it of the utmost importance that the JOBS person receive all the remedial attention possible, they recommended:

- a. Communicating the importance and background of the JOBS program to regular employees.
- b. Reducing obvious displays of special treatment in front of the regular employees.
- c. Developing a presentation for the trainee that does not brand him as less competent than others, or impinge on his concept of self-worth.

APPENDIX A - EMPLOYMENT PROFILE  
COMPARED WITH JOB SLOTS  
PLEDGED IN EACH SMSA

The following comparison of employment profiles by industry in the ten SMSAs with their JOBS pledges by industry is based on the following data sources:

1. Department of Labor, Manpower Administration contracts in force September 1969. (Contract data listed employers participating in each SMSA and the jobs offered by each employer.)
2. Statistical Abstract of the United States (1969), prepared by the U.S. Bureau of the Census.
3. Area Manpower Review, prepared by the appropriate State Employment Service for each of the ten SMSAs.

Atlanta, Georgia

Wholesale and retail trade industries account for 26.5 percent of Atlanta's nonagricultural employees. This is higher than the national average for such jobs and higher than in the other SMSAs included in this study. Manufacturers employ the second largest number of workers in Atlanta, 21.2 percent. Manufacturers of durable goods account for 11.6 percent of Atlanta's jobs, the major portion of which are in industries that produce fabricated metal products, machinery, and stone-clay-glass products. Among manufacturers of non-durable goods, employing 9.6 percent of Atlanta's total labor force, positions are most numerous in the food, printing and publishing, and apparel industries. Service industries (14.6 percent) and government (14.5 percent) follow in that order.

A review of JOBS contract data for Atlanta indicates that there is little correlation between the number of workers employed in each industry and the number of authorized positions each has pledged to the JOBS program. Wholesale and retail trade, for example, has a disproportionately low participation record. Two retail businesses have pledged a total of 32 positions. Manufacturing industries have made by far the greatest contribution to the JOBS effort, pledging 711 positions, or 82.2 percent of the total for the area. Seven manufacturers of durable goods are responsible for 217 positions; four manufacturers of nondurable goods for 494 positions. Due largely to the efforts of a consortium of 50 automobile dealers, automobile repair shops, etc. 105 service positions have also been pledged.

Baltimore, Maryland

Jobs in Baltimore are evenly distributed among the major industries each of



which employs close to the national average for nonagricultural employment. Despite the fact that employment in manufacturing has declined in recent years from a high of 34.6 percent in 1952, it still accounts for the largest segment of employment in Baltimore, 26.8 percent of the total. Durable goods manufacturers employ 16.0 percent, largely in primary metals, transportation equipment, and machinery. Manufacturers of nondurable goods employ 10.6 percent, primarily in the food, apparel, and printing trades. Nonmanufacturing employment, which has increased steadily during recent years, is concentrated in trade, 20.9 percent (5.2 percent in wholesale, 15.7 percent in retail), government, 18.6 percent and service industries, 16.1 percent.

JOBS employers in Baltimore are most numerous in manufacturing: 15 companies pledged 654 authorized positions, or 58.9 percent of the total. Of these, 473 positions and 9 companies were in durable goods manufacturing and 181 positions and 6 companies in nondurable goods manufacturing. One company, which had been accused of discriminatory hiring policies before signing its MA-3 contract, offered 200 jobs, the largest number placed by any manufacturer. The remaining positions were fairly evenly distributed among the other participating industries: 171 in service industries,<sup>1/</sup> 150 in finance, and 139 in miscellaneous.

#### Dayton, Ohio

Dayton is the second largest manufacturing center among the SMSAs studied. Manufacturing accounts for 40.2 percent of its nonagricultural employment (28 percent in durable goods, 12.2 percent in nondurable goods). The largest numbers of workers in durable goods are in machinery, electrical machinery, and transportation equipment; among nondurable goods manufacturers, employees work in rubber and miscellaneous plastic products, printing and publishing, and paper. The most notable feature of Dayton's manpower profile is that four companies account for almost half the total number of jobs in manufacturing. Government (18.1 percent) is Dayton's second largest employer; wholesale and retail trade employs 17.8 percent, and services, 13.6 percent.

The kinds of industry participating in JOBS in Dayton and the number of jobs pledged by each conform to this pattern. Twenty-two manufacturing companies have pledged 798 positions or 80.2 percent of the total pledged. Thirteen of these companies with 628 jobs are in durable goods manufacturing; 9 companies with 170 jobs are in nondurable goods manufacturing. The majority of these jobs were found among three of Dayton's four largest manufacturers and account for 584 of the positions in manufacturing. The remaining 107 pledged positions were scattered among services, wholesale and retail trade, and finance.

---

<sup>1/</sup> This figure is somewhat misleading since 100 of the positions, in a variety of occupational categories, were pledged by one personnel agency for other companies.



### Detroit, Michigan

Detroit's civilian labor force of over 1.7 million workers makes it the largest SMSA in the sample. The automobile industry uses 40.0 percent of its manufacturing employment and 15.6 percent of all nonagricultural employment. Other durable goods manufacturing industries employing large numbers are metal and nonelectrical machinery and, among nondurable goods manufacturers, chemicals and petroleum, food, textiles and apparel, and printing and publishing. Wholesale and retail trade, 18.6 percent, services, 14.3 percent, and government, 13.7 percent, are Detroit's other large employers.

JOBS contract data for the city showed a similarly high concentration of companies and jobs in manufacturing. Durable goods manufacturers comprised the majority of the JOBS MA contract companies, 52 of the total of 96 companies and 80.6 percent of the total of 9,545 pledged positions. This total number of pledged positions was reduced to 5,467 in March 1970 due to contract amendments. Nondurable goods manufacturers accounted for an additional 21 companies and 678 jobs. Retail trade was well represented in JOBS program with 1,035 jobs, more than two-thirds of which were pledged by a national consortium of auto dealers whose contract has now become inoperative. Services pledged 383 jobs; transportation (1 railroad), 90, and miscellaneous industries, 12.

Three consortia have contributed considerably to the local JOBS effort. Two U.A.W. consortia involving five companies related to the automobile industry pledged 1,135 positions; the third, under the auspices of the Greater Detroit Chamber of Commerce, and including businesses of intermediate size in a wide variety of industrial categories, pledged 973 positions.

### Houston, Texas

Trade is the largest employer among Houston's industries, comprising 24.7 percent of its nonagricultural employees. Manufacturing employs 19.7 percent; service industries, 17.1 percent; and government, 11.4 percent. Among manufacturers of durable products, the largest work forces are found in nonelectrical machinery, fabricated metal products, and primary metals; among manufacturers of nondurables, in chemicals and allied products, food and kindred products, and petroleum and coal products. Contract construction employs 9.3 percent.

In Houston the contract construction industry, mainly homebuilding, has made the greatest contribution, 381 pledged positions, of any industry to JOBS. One consortium of construction companies pledged 300 positions. Of the remaining authorized jobs, the next largest number of slots were pledged in durable goods manufacturing (294) and miscellaneous industries (177); others were distributed among retail trade (80), service industries (68), nondurable goods manufacturing (56), and real estate (31). A consortium of 13 companies, most of them involved in real estate or the manufacture of construction materials, pledged 125 positions.

#### Jersey City

Jersey City has the highest concentration of employment in manufacturing of any SMSA in the study; 43.1 percent of its workers. Among manufacturers of durable goods that employ 20.9 percent, the largest number are employed in electrical machinery, nonelectrical machinery, fabricated metal products, and miscellaneous; among nondurable goods manufacturers, 22.2 percent are employed mainly in apparel, food and kindred products, chemicals and allied products, and textile mills. Trade, both wholesale and retail, is Jersey City's second largest employer with 15.3 percent; transportation and public utilities employ 13.7 percent; service industries, 11.0 percent; and government, 11.0 percent.

With the exception of one service company, all of the JOBS companies in Jersey City are involved in manufacturing, thus limiting the variety of jobs. Nine manufacturers of durable goods pledged 341 positions; nine manufacturers of nondurable goods pledged 169 positions.

#### Miami

Employment in wholesale and retail trade, Miami's largest industry, is proportionately higher in this SMSA than in any other in the sample, comprising 36.6 percent of the total nonagricultural employment. Service industry employment is unusually large at 21.7 percent due to Miami's extensive tourist trade. Manufacturing (16.0 percent) and government (12.1 percent), are Miami's other major employers. Among manufacturers of durable goods, the largest number of workers are in fabricated metal products, transportation equipment, and miscellaneous; among nondurable goods, in apparel, miscellaneous, and food.

A high concentration of JOBS MA contractors' slots were in manufacturing: 15 companies with 1,019 pledges represented 80.0 percent of the total, with another 18 companies offering the other 20 percent. These 33 participating manufacturers cover a range of 7 industrial categories.

Trade followed manufacturing in the number of JOBS slots authorized. One wholesale company pledged 353 positions and three retail stores pledged 663, for a total of 1,016. The transportation industry, which makes up 11.1 percent of Miami's nonagricultural employment, was represented by a total of 170 positions. Other pledges included: services, 28; contract construction, 2; finance, 23; and miscellaneous industries, 5. The Miami Chamber of Commerce consortium, more than one-third of whose members are banks, was responsible for the seven JOBS companies in finance, a comparatively large number in that field.

#### Phoenix

The number of nonagricultural workers employed in three of Phoenix's four largest industries are: wholesale and retail trade, 24.0 percent; government, 18.5 percent; and service industries, 16.2 percent. Though growing rapidly, manufacturing, which accounts for only 16 percent, ranks fourth in size.

There does not appear to be any correlation between the kinds of industry participating in the JOBS programs and the industrial profile of this SMSA. A consortium of diverse businesses including poultry processing and construction work was the largest JOBS MA contract holder. It had pledged 380 slots, more than half of all those authorized in the SMSA.

#### San Diego

San Diego's industrial profile is characterized by its nonagricultural employment in service industries, 18.2 percent; and in government, 26.3 percent; 19 percent is found in manufacturing. The large number of service and governmental occupations result from the fact that San Diego, as a Pacific seaport, has developed a sizeable tourist trade and has large U.S. naval and marine installations. Trade, the city's other major industry, accounts for 21.6 percent of its nonagricultural employment.

Twenty-four San Diego companies have pledged 1,154 jobs; 641<sup>2/</sup> of these in services; 337 in durable goods manufacturing; and the remainder scattered among contract construction, 25, retail trade, 87, and miscellaneous industries, 64.

#### Tulsa

The profile of Tulsa's nonagricultural employment shows 24.4 percent of its workers in manufacturing, 22.7 percent in services, 15.8 percent in trade,

<sup>2/</sup> This total is somewhat misleading since 321 positions in a wide variety of occupational categories were pledged by one vocational training center (Better Jobs Through Training) for a number of San Diego's companies.

and 10.2 percent in government. Among manufacturers of durable goods, the most sizable number of workers are in machinery (including electrical), fabricated metal products, miscellaneous (primarily aerospace equipment), and transportation equipment; among nondurable goods, in food, miscellaneous, and printing. Mining with 7.7 percent, and transportation and public utilities with 9.3 percent, are important employers among Tulsa's smaller industries.

Among manufacturing industries in Tulsa, five manufacturers of nondurable goods pledged 284 positions and four manufacturers of durable goods pledged 44 positions. Transportation (airlines) pledged 65 positions. Eight retail establishments, most of them auto dealers, formed a consortium that pledged 47 positions. Other slots were services, 5; contract construction, 27; and miscellaneous industries, 4.



## APPENDIX B

### CHARACTERISTICS OF STUDY SAMPLE OF JOBS TRAINEES

As noted in Chapter VII, there is no statistical verification that the sample of trainees included in this study is representative of the JOBS trainees in the sample cities. To test the extent to which the sample was like the general trainee population, the study team obtained hiring card data from the MA and compared these data with the information obtained as a result of trainee interviews. The eight pertinent areas where cross reference could be made between hiring card data and data obtained from the interviews were: race, sex, age, education, whether public assistance was obtained prior to involvement in the JOBS program, family size, weeks unemployed before entering JOBS program, and family income during the year before entering the JOBS program. These comparisons are discussed below.

#### 1. Race

As shown in Table 26, the great majority of people entering the JOBS program were blacks; 69 percent of the study sample compared with hiring card data of 83 percent. One reason the latter figure is higher is that blacks and whites with Spanish surnames were not differentiated in the NAB figures as they were for this study. It is not surprising that blacks made up a substantial portion of both sets of data since they make up a preponderance of the population in the CEP areas in the SMSAs in the sample. There was significant American Indian participation only in Tulsa (11 percent) and Phoenix (6 percent), rates which exceed the overall proportion of the Indian population in those two SMSAs. Representation by Orientals in the JOBS program was negligible.

Table 26

Racial Characteristics of Trainees (in percents)

| Racial Characteristics | Study Sample | Hiring Card Data <sup>a/</sup> |
|------------------------|--------------|--------------------------------|
| Total                  | 100          | 100                            |
| White                  | 11           | 14 <sup>b/</sup>               |
| Black                  | 69           | 83 <sup>b/</sup>               |
| Spanish-American       | 11           | -                              |
| Other                  | 7            | 3                              |
| Not Given              | 2            | -                              |

<sup>a/</sup> Based on 11,300 trainees in sample areas.

<sup>b/</sup> Includes those with Spanish surnames, some of whom were recorded as white and some as black.

Fewer Spanish-speaking persons were represented in the program than their proportion in the target areas for several reasons. In Jersey City, for instance, Spanish-speaking persons were more reluctant to enter the program than other disadvantaged people because they were less willing to travel long distances from their homes to gain employment. However, language and other barriers, which pose obstacles to those of Spanish origin, were more easily overcome in cities with an active Spanish-speaking manpower organization such as SER (Services, Employment, and Redevelopment). Thus in Houston, Phoenix, and San Diego, where SER operates, there was greater participation by the Spanish-speaking group.

The Miami SMSA had a special situation since many of the Cubans, who make up about 30 percent of the trainees, were middle class wage earners in Cuba and had come to the U.S. with a strong work orientation. They readily accepted JOBS employment even when they were technically over qualified for the type of employment they entered. They qualified as poor only because they had lost their possessions when they left Cuba.

In summary, findings indicate that, with respect to racial representation, JOBS is reaching the desired population and is, in fact, hiring persons from the minority groups who compose a large portion of the poverty population in each SMSA but not the most disadvantaged. The findings also show that the extent of participation by Spanish-Americans, except for Cubans, depends on auxiliary manpower agencies that service their community.

## 2. Sex

The NAB-JOBS program is primarily aimed at the male population. As indicated in Table 27, hiring card data show 76 percent males as compared with 65 percent in the study sample. A higher percent of women than of men were black.

Table 27

Sex of Trainees (in percents)

| Sex    | Study Sample | Hiring Card Data <sup>a/</sup> |
|--------|--------------|--------------------------------|
| Total  | 100          | 100                            |
| Male   | 64           | 76                             |
| Female | 36           | 24                             |

<sup>a/</sup> Based on 11,836 trainees in sample areas.

Most JOBS jobs are designated for the male worker because of the high participation of the manufacturing industries which have traditionally hired mostly men. Many of these entry-level jobs are in the laborer category. Although women could be employed in several positions now occupied only by men, little effort has been made in this direction. In Atlanta and Miami a high percentage of jobs was available for women in the service and finance industries. In Atlanta, cotton mills also employed a large number of black females in manufacturing jobs.

Some of the employer and agency people interviewed felt that placing males on the payroll was critical in order to support the traditional male role as family head and bread winner. Numerous studies have shown, however, that female heads of households are often more in need of jobs. BLS statistics indicate that the female unemployment rate always exceeds that of the males in comparable ethnic and age categories.

The JOBS program has had less of an impact on the pool of unemployed women than on unemployed men. In each SMSA the field analysts reported a surplus of unemployed women who were seeking employment. Even in Houston, where the unemployment rate was one of the lowest in the country (1.7 percent in January 1970), women were not being placed on JOBS jobs.

### 3. Age

With respect to the age of persons in the program, the trainees interviewed for this study were somewhat older than trainees reported on hiring card data (see Table 28). Trainees interviewed averaged 29 years, with 26 percent under 22 years old. Hiring card data indicate an average of 26, with 46 percent under 22 in the ten SMSAs included in this study. Neither set of data show significant hiring of persons over 45 but do show emphasis on hiring males in their twenties and early thirties. The hiring attitude which emerged indicates that the program is concentrating on the younger persons. There is a tendency to avoid the older, hard-core, unemployed person. One chamber of commerce representative felt that the thrust of the NAB effort should be to "dam up for the future."

Table 28

Age of Trainees (in percents)

| Age      | Study Sample | Hiring Card Data <sup>a/</sup> |
|----------|--------------|--------------------------------|
| Total    | 100          | 100                            |
| Under 19 | 2            | 17                             |
| 19 to 21 | 24           | 29                             |
| 22 to 25 | 18           | -                              |
| 26 to 45 | 49           | 50                             |
| 46 to 55 | 6            | -                              |
| Over 55  | 1            | 4                              |

<sup>a/</sup> Based on 11,887 trainees in sample areas.

### 4. Education

The data indicate that almost all JOBS trainees have had 8 or more years of schooling and that about a third of the participants had finished high school. As shown in Table 29, the study data indicated that 69 percent of persons interviewed had at least 10 years of education, while hiring card data show a slightly higher level of education.

Interestingly, the blacks interviewed were considerably better educated than any other racial group in the program. Seventy-six percent of the blacks had at least a 10th-grade education compared with 57 percent of the whites and only 44 percent of the Spanish-Americans. Thirty-eight percent of the blacks had 12 or more years of schooling. The Spanish-speaking people probably had less education both because many of them had emigrated from Latin American countries where educational opportunities are fewer than in this country and because of the language barrier. The discrepancy



in educational levels between blacks and whites in the program attests to the fact that whites with a high school education are more likely to have access to employment while even educated blacks must rely on public manpower programs.

Table 29

Education of Trainees (in percents)

| Highest Grade Completed | Study Sample | Hiring Card Data <sup>a/</sup> |
|-------------------------|--------------|--------------------------------|
| Total                   | 100          | 100                            |
| Less than 8th grade     | 9            | 7                              |
| 8th grade               | 10           | 7                              |
| 9th to 11th grade       | 45           | 53                             |
| 12th grade              | 28           | 33                             |
| Over 12th grade         | 8            | -                              |

<sup>a/</sup> Based on 11,721 trainees in sample areas.

Little significant difference was noted between educational levels of male and female trainees.

The fact that the JOBS trainees averaged 10.3 years of school has implications regarding the need for the basic education component of the program. Theoretically, with this background, the average trainee should have a basic facility in mathematics and English. In reality, many trainees require remedial education rather than basic education. However, the education program should be flexible since trainees familiar with the material will become restless and bored if the preliminary basic education course is protracted and not individualized.

##### 5. Public Assistance Status

One of the oft-stated goals of the JOBS program is to take persons off the welfare rolls and place them on payrolls. Therefore, an analysis was made of the number of persons hired by the JOBS program who had formerly received some form of public assistance, and of the number who were still receiving public assistance after their employment in the JOBS program.

Table 30 indicates that, in the SMSAs included in this study, a relatively small number of persons receiving public assistance are being taken into the JOBS program. Of the trainees interviewed, 15.4 percent said they had been receiving some kind of income subsidy from the government

before entering the JOBS program while data obtained from JOBS hiring cards showed that 17.2 percent of persons in the program received public assistance. Furthermore, data from trainee interviews showed that the rate of public assistance participation did not vary by race.

Table 30

Trainees Receiving Public Assistance at  
Time of JOBS Enrollment (in percents)

| Status                          | Study Sample | Hiring Card Data <sup>a/</sup> |
|---------------------------------|--------------|--------------------------------|
| Total                           | 100          | 100                            |
| Receiving public assistance     | 15           | 17                             |
| Not receiving public assistance | 83           | 83                             |
| No answer                       | 2            | -                              |

<sup>a/</sup> Based on 2,981 trainees in sample areas.

In explanation of the small percentage of assistance recipients enrolled in JOBS, it must be noted that the trainees may not have been completely candid during interviews or when hiring cards were filled out. Some people prefer not to admit to being on public assistance. Also, the JOBS program is oriented primarily toward young males who are rarely dependent on public assistance. The study findings show a large differential between the proportion of males and females receiving aid. Twenty-eight percent of the women interviewed, compared to only 8.5 percent of the men, said they had been receiving assistance. The highest incidence of assistance received was in the Aid to Families With Dependent Children (AFDC) category which affects mostly females.

When asked if they had continued to receive public assistance after JOBS employment, trainees reported a drop of 10 percentage points, from 15.4 to 5.5 percent. The figure was down to 2 percent for men and 12 percent for women. However, these data may be biased by the high percentage of no answers, probably due to fear of losing the aid or the job if they admitted to being public assistance recipients while working.

#### 6. Family Size

Most trainees come from medium-sized families. The average family size indicated by study and hiring card data was 4.0 and 3.7 respectively, according to Table 31. Because a large number of trainees are young, single males, one would not expect the average to be high. Data indicate that only 25 percent of the trainees come from families of five or more people, and very few came from families of over seven persons.

The consistency of these data may be impaired by the reporting by single people who might have been living in a household of friends or relatives but, because of their employment, were economically self-sufficient. Some of these may have reported their family size to be one, whereas others might have indicated the total number of people living in the household, not just the size of their natural family.

Table 31

Family Size of Trainees (in percents)

| Number of Persons<br>in Family | Study Sample | Hiring Card Data <sup>a/</sup> |
|--------------------------------|--------------|--------------------------------|
| Total                          | 100          | 100                            |
| 1 person                       | 13           | 33                             |
| 2 to 4                         | 50           | 42                             |
| 5 to 8                         | 27           | 18                             |
| Over 8                         | 5            | 5                              |
| No answer                      | 5            | 2                              |

<sup>a/</sup> Based on 10,847 trainees in sample areas.

7. Unemployment Status

Statistics on the unemployment status of trainees prior to entry in the program showed a high percentage of people who had been out of work for four or less weeks, (see Table 32). Study data showed 39 percent of the people in that category compared to 26 percent from the hiring card data. These figures raise questions about the number of persons in the program who were really hard-core employed.

Table 32

Trainee Unemployment Record (in percents)

| Number of Weeks<br>Unemployed Before<br>JOBS Enrollment | Study Sample | Hiring Card Data <sup>a/</sup> |
|---------------------------------------------------------|--------------|--------------------------------|
| Total                                                   | 100          | 100                            |
| 0 to 4                                                  | 39           | 26                             |
| 5 to 14                                                 | 20           | 21                             |
| 15 to 26                                                | 10           | 21                             |
| 27 to 52                                                | 28           | 32                             |
| Over 52                                                 | -            | -                              |
| No answer                                               | 3            | -                              |

<sup>a/</sup> Based on 7,117 trainees in sample areas.



The large number of persons unemployed for less than four weeks may result from a large amount of job switching. Also, many persons reported that they had other employment but considered the opportunity to work in JOBS a more attractive opportunity. This was supported by interview responses indicating that a number of trainees considered the JOBS employment their first real job and had willingly left other work to join with the JOBS employer. The low unemployment category also included those who had recently left school or had just returned from military service.

About 30 percent of the respondents indicated that they had been out of work for more than six months prior to JOBS involvement. The remaining 30 percent had been without work from 5 to 26 weeks. The average number of weeks without work for all respondents was close to 20 weeks. Thus, while the JOBS program is reaching a sizeable number of the distinctly hard-core unemployed population, i. e., the 30 percent unemployed for six months, on the whole it is reaching persons of markedly differing unemployment histories so that the average figure of 20 weeks unemployment is not very meaningful.

Findings from the study sample confirmed that blacks in the program had a worse unemployment history than either whites or Spanish-Americans, and that the women had been unemployed longer than the men. Fifty-five percent of the blacks had been unemployed for more than 8 weeks prior to entry into the program, compared to only 45 percent for the whites and 37 percent for those with Spanish surnames. Forty percent of the women had been out of work over 26 weeks before JOBS, compared with 21 percent of the men.

#### 8. Family Income

The last category of data where information was obtainable from the hiring cards and from the study findings was family incomes of trainees during the 12 months immediately preceding JOBS employment. See Table 33. It should be stressed that accurate information on previous earnings is very difficult to obtain since many respondents were unaware of earnings of all family members. Field analysts also reported that applicants sometimes reported a lower than actual income to insure eligibility for the program.



Table 33  
Family Income of Trainees in  
Year Preceding JOBS Enrollment (in percents)

| Family Income for<br>12 Months Preceding<br>JOBS Enrollment | Study Sample | Hiring Card Data <sup>a/</sup> |
|-------------------------------------------------------------|--------------|--------------------------------|
| Total                                                       | 100          | 100                            |
| \$1,000 or less                                             | 19           | 22                             |
| \$1,001 to \$2,000                                          | 20           | 29                             |
| \$2,001 to \$3,000                                          | 16           | 22                             |
| \$3,000 to \$4,000                                          | 11           | 15                             |
| Over \$4,000                                                | 9            | 12                             |
| Unknown                                                     | 25           | -                              |

<sup>a/</sup> Based on 6,538 trainees in sample areas.

Distortions also occur because the ES and CEP staff tend to interpret income criteria quite loosely when certifying applicants for the program. In some instances staff reported that if a person fit the other qualifications of the certification criteria, the income criteria were relaxed. The field analysts observed that CEP was interested in placing people successfully and certified some applicants into the program who did not face severe obstacles to employment, usually persons who, while they could benefit from participation in the JOBS program, were already motivated to work.

Because of the high percentage of unknowns, only the data on those responding was analyzed. The two sources of data show the same results. Seventy-three percent reported family income under \$3,000, and 88 percent reported income under \$4,000 for the year before entry into the JOBS program. The average family income was about \$2,300. The previous year's income for blacks and Spanish-Americans was about equal and for whites was slightly higher. Income had been significantly lower for women than for men.

These income statistics can readily be compared with the December 1969 DOL guidelines which define a family of four as poor if the annual family income is under \$3,600. Since the average family size of the JOBS trainee interviewed was four, and the average annual income level was reported to be \$2,300, most individuals brought into the JOBS program would have qualified as poor by DOL standards even if they had underestimated income by more than one-third.

D. Additional Characteristics

The study of trainee characteristics involved examination of three areas not available from the hiring card data. These were the marital and household status of trainees, their employment history, and the source which recruited them for the JOBS program.

1. Marital Status

The marital status of JOBS trainees interviewed appears in Table 34.

Table 34

Marital Status of Trainees by Sex  
of Trainee (in percents)

| Marital Status  | Total | Male | Female |
|-----------------|-------|------|--------|
| Total           | 100   | 100  | 100    |
| Married         | 44    | 51   | 33     |
| Single          | 35    | 38   | 28     |
| Divorced        | 7     | 5    | 10     |
| Separated       | 11    | 4    | 24     |
| Spouse deceased | 2     | 1    | 4      |
| Did not answer  | 1     | 1    | 1      |

The findings indicate that 64 percent of the trainees either had been married at one time or were presently married. It was found that blacks were more likely to be younger and single than those in other ethnic categories. Sixty-two percent of all the trainees were heads of households; 50 percent of the females and 69 percent of the men.

2. Employment History

Most of the trainees had a poor employment history. Previous job applications had been rejected, according to 75 percent of the trainees, and most of them did not understand why they had been rejected. Many reported having spent large portions of the last five years prior to JOBS employment without a full-time job, and their average tenure at jobs they had held was about one year.

The main types of employment formerly held were operative, service worker, nonfarm laborer, and clerical, as indicated in Table 35.

Table 35

Former Work Experience of JOBS Trainees  
(in percents)

| Types of Employment<br>Formerly Held | Trainees |
|--------------------------------------|----------|
| Total                                | 100.0    |
| Professional and technical           | 3.0      |
| Managers, officials, or foremen      | 1.7      |
| Clerical                             | 10.4     |
| Sales                                | 3.0      |
| Craftsmen                            | 8.2      |
| Operatives                           | 22.6     |
| Nonfarm laborers                     | 43.0     |
| Service workers                      | 38.1     |
| Farm workers                         | 6.0      |
| No answer                            | 12.2     |

Most of those reporting agricultural employment were Cubans and others with Spanish-American backgrounds while almost one-fifth of the whites in the program had worked as craftsmen. Women were much more likely than men to have held clerical positions or have been service workers.

About half the trainees had had no special education or training in the last five years to qualify them for employment. Of those who had received training, almost half had had vocational training. Less than one-third of all the trainees had ever been enrolled in a federally assisted manpower program such as CEP and MDTA.

In response to a question as to why they had left their previous jobs, a number of the trainees gave more than one reason as shown in Table 36.

Table 36  
Reasons JOBS Trainees Had Left Previous Employment  
(in percents)

| Main Reasons for Termination<br>from Former Employment | Trainees<br>Giving Information |
|--------------------------------------------------------|--------------------------------|
| Total                                                  | 130 <sup>a/</sup>              |
| Lay-off                                                | 24                             |
| Quit                                                   | 56                             |
| Plant relocation                                       | 8                              |
| Family moved                                           | 6                              |
| Health problems                                        | 8                              |
| Family or child care problems                          | 3                              |
| Fired                                                  | 9                              |
| Other                                                  | 16                             |

<sup>a/</sup> Total adds up to more than 100 percent due to multiple responses.

The most frequently cited reason for termination was quitting. Trainees reported that frustrations with working situations was the primary reason for quitting. They also appeared to be the first fired in an economic downturn as evidenced by the high incidence of layoffs reported.

### 3. Recruitment Source

Although CEPs received preference for job placement, less than 20 percent of the trainees had been recruited in the program through that source. Among blacks, the majority population in the CEP areas, the percentage was only 23 percent and no white trainees had been recruited through that source. Women were much more likely than men to be recruited by the CEPs.

Distribution of trainees by source of recruitment is shown in Table 37.



Table 37

Means by Which Trainee Entered JOBS Program,  
by Sex (in percents)

| Recruitment Source<br>of Trainees | Total | Men | Women |
|-----------------------------------|-------|-----|-------|
| Total                             | 100   | 100 | 100   |
| Walk in at plant                  | 28    | 27  | 30    |
| CEP                               | 18    | 13  | 29    |
| SES                               | 32    | 37  | 23    |
| MDTA                              | 1     | -   | 1     |
| OIC                               | 5     | 6   | 6     |
| Urban League                      | 1     | 2   | 1     |
| Other private manpower agency     | 4     | 5   | 2     |
| Other                             | 12    | 10  | 8     |

The Employment Service was the referral source for one-third of the trainees and a similar percent entered the program as walk-ins. Recruitment by other manpower agencies associated with the poverty population such as OIC, MDTA, and the Urban League was small in comparison with ES and CEP. This reinforces the statement of many community leaders that NAB is not developing effective working relations with other groups in the poverty community.